



COUNTY OF LOS ANGELES  
DEPARTMENT OF PARKS AND RECREATION  
*"Parks Make Life Better!"*

John Wicker, Director

August 23, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF LEASE AGREEMENT FOR  
THE MANAGEMENT AND OPERATION OF THE  
SANTA ANITA COUNTY GOLF COURSE  
(SUPERVISORIAL DISTRICT 5) (3 VOTES)**

**SUBJECT**

Approval of the recommended actions will award a 20-year Lease Agreement with Strato Partners, LLC for the management, operation, and maintenance of the Santa Anita County Golf Course from September 1, 2016 through August 31, 2036. The recommended action will ensure that the facility remains open and available to the public.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the approval of the attached Lease Agreement is categorically exempt from the California Environmental Quality Act for the reason that the Lease Agreement involves leasing of an existing facility with no expansion of an existing use and for the reasons stated herein and the reasons reflected in the record of the Lease Agreement.
2. Approve and instruct the Director of the Department of Parks and Recreation to execute a twenty-year Lease Agreement with Strato Partners, LLC for the management, operation, and maintenance of the Santa Anita County Golf Course, effective September 1, 2016, resulting in an estimated \$21,062,000 benefit to the County in the form of rental fees and capital improvement funding over the term of the Lease Agreement.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

19 August 23, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

Approval of the recommended actions will allow the Santa Anita County Golf Course (County Golf Course) to remain open for continued and uninterrupted service to the public by awarding of a 20-year Lease Agreement (Attachment I) with Strato Partners, LLC.

The County Golf Course is currently operated by Santa Anita Associates with a Lease Agreement term of February 1, 1986 through January 31, 2014. Currently Santa Anita Associates operates the facility on a month-to-month basis with Los Angeles County (County). Santa Anita Associates did not submit a proposal for the new Lease Agreement term.

The recommended Lease Agreement with Strato Partners, LLC will have a 20-year term and will commence on September 1, 2016. The attached chart (Attachment II) delineates the rental fee schedule. A portion of the rental fee revenue will be deposited into a Capital Improvement Project Fund to be used for improvements at the County Golf Course. The remaining amount will be deposited into the Department of Parks and Recreation's (Department) Operating Budget to fund ongoing operations.

### **Implementation of Strategic Plan Goals**

The proposed Lease Agreement will further the County's Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1) by maximizing the effectiveness of process, structure, and operations to support timely delivery of customer-oriented and efficient public service.

### **FISCAL IMPACT/FINANCING**

Approval of the recommended actions will result in additional benefit to the County in the form of rental fees and capital improvement funding for the County Golf Course in an estimated amount of \$21,602,000 over the proposed 20-year term of the recommended Lease Agreement. Based on the provisions of the Lease Agreement, it is estimated that the Department will realize revenues of \$14,092,000 for the Department's Operating Budget and \$7,510,000 for capital improvement funding, which shall be deposited into the Department's Santa Anita Golf Course Capital Improvement Program Trust Fund (CIP) and the Santa Anita Golf Course Improvement Fees Trust Fund (GCIF).

Of the \$7,510,000 in capital improvement funding, the Department will receive \$169,000 for CIP and \$82,000 for GCIF in Fiscal Year (FY) 2016-17 (ten months). Future annual capital improvement funding will incrementally increase based on the proposed revenue percentages outlined in Attachment III. In addition to the annual amounts, Strato Partners, LLC shall pay to the Department \$250,000 within 10 days of the commencement of the recommended Lease Agreement and another \$250,000 prior to the commencement of year three of the recommended Lease Agreement. Both payments will be deposited into the CIP.

### **Operating Budget Impact**

Based on the terms of the recommended Lease Agreement, it is estimated that the Department's Operating Budget will realize estimated rent revenues of \$365,000 in FY 2016-17 (ten months) and \$14,092,000 over the proposed 20-year term of the recommended Lease Agreement. This revenue will be collected on a monthly basis based on the rental fee schedule outlined in Attachment II. Future annual rent revenues will incrementally increase based on the proposed revenue percentages outlined in Attachment II. The Department does not anticipate any operating cost increases resulting from the recommended Lease Agreement. Sufficient revenue is budgeted in the Department's FY 2016-17 Operating Budget for the annual estimated rent revenues.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Board is authorized by the provision of Government Code Section 25907 to lease County parks and recreation real property for the provision of services and property improvements that are consistent with public park and recreation purposes. The proposed Lease Agreement is consistent with said purposes.

This Lease Agreement contains terms and conditions supporting the Board's ordinances, policies and programs, including but not limited to: Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the Defaulted Property Tax Reduction Program, Los Angeles County Code 2.206; compliance with the County's smoking ban ordinance, Los Angeles County Code Title 17, Sections 17.04.185 through 17.04.650; compliance with the County's policy on restricting its purchase and use of Expanded Polystyrene containers; participation in the County's Artificial Trans Fat Reduction Program; and the standard Board-directed clauses that provide for contract termination or renegotiation.

### **CONTRACTING PROCESS**

On March 31, 2016, the Department issued a Request for Proposal (RFP) for the management, operation and maintenance of the County Golf Course by posting the RFP on the County's "Doing Business with Us" website. The website included a link to download the solicitation package and bilingual instructions on how to contact the Department regarding this solicitation.

On April 26, 2016, a mandatory Proposers Conference was held and 13 potential proposers attended. A facility walk-through of the facility followed the conference.

On May 23, 2016, the Department received three proposals. The proposals were reviewed by the Department's staff to ensure compliance with mandatory minimum requirements outlined in the RFP. All three proposals were deemed to be responsive, having met the minimum requirements, and were forwarded to the Evaluation Committee for review. The Evaluation Committee consisted of three representatives from local golf clubs.

Using the Informed Averaging Scoring methodology, the Evaluation Committee evaluated each proposal based on the criteria identified in the RFP, which included: proposer's experience and qualifications; proposed revenue to the County; proposer's maintenance and operational plan; proposer's pro forma; and acceptance/exceptions to terms and conditions of the sample agreement. Based on these criteria, Strato Partners, LLC was the highest ranked proposer. One proposer requested and received a debriefing of its score.

It should be noted that upon final analysis and award, Strato Partners, LLC was selected without regard to gender, race, creed, or color. Proposer's minority participation is reflected in Attachment II.

### **ENVIRONMENTAL DOCUMENTATION**

The approval of the Lease Agreement is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15301 of the State CEQA Guidelines and Class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, because the Agreement involves leasing of an existing facility with no expansion of an existing use.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no impact on current public services.

## **CONCLUSION**

It is requested that an adopted copy of the action taken by the Board be mailed to:

Strato Partners, LLC  
4400 MacArthur Boulevard, Suite 980  
Newport Beach, California 92660  
Attention: Neil Miller

In addition, it is requested that one adopted copy be sent to the Treasurer and Tax Collector, one adopted copy be sent to the Office of the Assessor, and three adopted copies be forwarded to the Department of Parks and Recreation.

Should you have any questions please contact Jorge Badel at (626) 821-4649 or jbadel@parks.lacounty.gov, Warren Leary at (626) 821-4646 or wleary@parks.lacounty.gov, Kasey Dizon at (213) 738-2986 or kdizon@parks.lacounty.gov, or Kaye Michelson at (213) 738-2955 or kmichelson@parks.lacounty.gov.

Respectfully submitted,



JOHN WICKER  
Director

JW:RM:JB  
WL:rc

### Attachments

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Assessor  
Treasurer and Tax Collector



# **OPERATING AGREEMENT FOR THE MANAGEMENT, OPERATION AND MAINTENANCE OF THE SANTA ANITA COUNTY GOLF COURSE**



**2016**



**SANTA ANITA COUNTY GOLF COURSE LEASE PROVISIONS  
TABLE OF CONTENTS**

<b>SECTION</b>	<b>PAGE</b>
<b>RECITALS.....</b>	<b>1</b>
<b>1.0 APPLICABLE DOCUMENTS.....</b>	<b>2</b>
<b>2.0 DEFINITIONS .....</b>	<b>2</b>
<b>3.0 DEMISED PREMISES .....</b>	<b>6</b>
<b>4.0 OPERATOR'S BASIC OBLIGATION.....</b>	<b>8</b>
4.1 Golf Professional .....	8
4.2 Clubhouse/Coffee Shop.....	9
4.3 Starter Services and Marshaling .....	10
4.4 Golf Course Advertising .....	13
4.5 General Maintenance .....	13
4.6 Notice of Non-Performance .....	16
<b>5.0 TERM OF AGREEMENT.....</b>	<b>17</b>
<b>6.0 CONSIDERATION.....</b>	<b>17</b>
<b>7.0 CHANGES AND AMENDMENTS.....</b>	<b>22</b>
<b>8.0 ACCOUNTING RECORDS.....</b>	<b>22</b>
<b>9.0 SECURITY DEPOSIT .....</b>	<b>25</b>
<b>10.0 REQUIRED CAPITAL IMPROVEMENT PROGRAM .....</b>	<b>26</b>
<b>11.0 BONDS.....</b>	<b>29</b>
<b>12.0 DESTRUCTION OF THE DEMISED PREMISES .....</b>	<b>31</b>
<b>13.0 CONSTRUCTION BY COUNTY AFFECTING DEMISED PREMISES.....</b>	<b>34</b>
<b>14.0 OPERATING RESPONSIBILITIES .....</b>	<b>35</b>
14.1 Advertising and Publicity Materials .....	35
14.2 Compliance with Laws, Rules and Regulations.....	36
14.3 Operator's Staff and Employment Practices.....	36
14.4 Days and Hours of Operation .....	39
14.5 Disorderly Persons .....	39
14.6 Facility Fees and Charges .....	40
14.7 Filming.....	40
14.8 Golf Clubs/Organizations .....	40
14.9 Golf Course Evaluation Report .....	40
14.10 Habitation .....	41
14.11 Illegal Activities .....	41
14.12 Prices .....	41
14.13 Public Use .....	42
14.14 Quality of Services.....	42
14.15 Reporting.....	43
14.16 Safety .....	43
14.17 Sanitation .....	43



# SANTA ANITA COUNTY GOLF COURSE LEASE PROVISIONS

## TABLE OF CONTENTS

SECTION	PAGE
14.18 Security Devices .....	44
14.19 Signs .....	44
14.20 Trade Fixtures .....	44
14.21 Tree Trimming & Green Waste Removal .....	44
14.22 Use of Facilities: Restrictions .....	45
14.23 Utilities .....	45
14.24 Acceptable Forms of Public Remittance .....	46
14.25 Cooperative Sanctuary Program .....	46
14.26 Intentionally Omitted .....	46
14.27 46	
Intentionally Omitted .....	46
14.28 Graffiti Control .....	46
<b>15.0 TERMS AND CONDITIONS .....</b>	<b>47</b>
15.1 OPERATING AGREEMENT ENFORCEMENT .....	47
15.2 COMPLAINTS .....	48
15.3 CANCELLATION .....	49
15.4 COMPLIANCE WITH CIVIL RIGHTS LAW .....	50
15.5 COMPLIANCE WITH COUNTY'S SMOKING BAN ORDINANCE .....	50
15.6 OPERATOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT .....	50
15.7 OPERATOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW .....	50
15.8 OPERATOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM .....	51
15.9 OPERATOR'S NON-COMPLIANCE AND LIQUIDATED DAMAGES .....	51
15.10 OPERATOR RESPONSIBILITY AND DEBARMENT .....	52
15.10.1 Responsible Operator .....	52
15.10.2 Chapter 2.202 of the County Code .....	52
15.10.3 Non-responsible Operator .....	52
15.10.4 Contractor Hearing Board .....	53
15.10.5 Subcontractors of Operator .....	55
15.11 OPERATOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM .....	55
15.12 CONFLICT OF INTEREST .....	56
15.13 COUNTY'S QUALITY ASSURANCE PLAN .....	56
15.14 EVENTS OF DEFAULT .....	57
15.15 FAIR LABOR STANDARDS .....	58
15.16 FORCE MAJEURE .....	58
15.17 GOVERNING LAW, JURISDICTION, and VENUE .....	59
15.18 INDEPENDENT OPERATOR .....	60



# SANTA ANITA COUNTY GOLF COURSE LEASE PROVISIONS

## TABLE OF CONTENTS

SECTION	PAGE
15.19 INDEMNIFICATION .....	60
15.20 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE .....	60
15.20.2 Additional Insured Status and Scope of Coverage .....	62
15.20.3 Cancellation of or Changes in Insurance .....	63
15.20.4 Failure to Maintain Insurance .....	63
15.20.5 Insurer Financial Ratings .....	64
15.20.6 Operator's Insurance Shall Be Primary .....	64
15.20.7 Waivers of Subrogation .....	64
15.20.8 Sub-Contractor Insurance Coverage Requirements .....	64
15.20.9 Deductibles and Self-Insured Retentions (SIRs) .....	65
15.20.10 Claims Made Coverage .....	65
15.20.11 Application of Excess Liability Coverage .....	65
15.20.12 Separation of Insureds .....	65
15.20.13 Alternative Risk Financing Programs .....	65
15.20.14 County Review and Approval of Insurance Requirements .....	66
15.21 INSURANCE COVERAGE REQUIREMENTS .....	66
15.21.1 Commercial General Liability .....	66
15.21.2 Automobile Liability .....	66
15.21.3 Workers Compensation and Employers' Liability .....	66
15.21.4 Sexual Misconduct Liability .....	67
15.21.5 Property Coverage .....	67
15.22 NON-DISCRIMINATION AND AFFIRMATIVE ACTION .....	68
15.23 NOTICE TO EMPLOYEES REGARDING FEDERAL EARNED INCOME CREDIT .....	70
15.24 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW .....	70
15.25 NOTICES .....	70
15.26 PUBLIC RECORDS ACT .....	71
15.27 RECYCLED BOND PAPER .....	72
15.28 RIGHT OF ENTRY .....	72
15.29 SEVERABILITY .....	73
15.30 SUBLEASES .....	73
15.31 SURRENDER OF DEMISED PREMISES .....	74
15.32 TAXES AND ASSESSMENTS .....	74
15.33 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE .....	75
15.34 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM .....	75
15.35 TERMINATION FOR IMPROPER CONSIDERATION .....	75
15.36 TERMINATION FOR INSOLVENCY .....	76

# SANTA ANITA COUNTY GOLF COURSE LEASE PROVISIONS

## TABLE OF CONTENTS

SECTION	PAGE
15.37 INTENTIONALLY OMITTED.....	77
15.38 TERMINATION UPON TRANSFER OF TITLE OR GOLF COURSE CLOSURE .....	77
15.39 TRANSFERS.....	78
15.41 WARRANTY AGAINST CONTINGENT FEES .....	83
15.42 ARTIFICIAL TRANS FAT REDUCTION PROGRAM .....	83
15.43 OPERATOR PERFORMANCE .....	85
15.44 USE OF EXPANDED POLYSTYRENE (EPS) FOOD CONTAINERS .....	85
15.45 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT .....	85
15.46 GREEN INITIATIVES .....	89
15.47 TIME OFF FOR VOTING.....	89
15.48 COMPLIANCE WITH THE COUNTY'S SMOKING BAN ORDINANCE.....	90
15.49 COUNTY LOBBYIST ORDINANCE .....	90
15.49.1 Termination for Non-Adherence of County Lobbyist Ordinance..	90
15.49.2 Lobbyist Disclosure .....	90
15.50 OWNERSHIP/PARENT COMPANIES .....	91
16.0 ENTIRE OPERATING AGREEMENT.....	91
17.0 AUTHORIZATION WARRANTY .....	91
SIGNATURES .....	92
 <b>STANDARD EXHIBITS</b>	
<b>EXHIBITS</b>	
A DEMISED PREMISES .....	
B DEPARTMENT GOLF COURSE OPERATIONAL MANUAL .....	
C COUNTY FEES AND CHARGES.....	
D GENERAL MAINTENANCE SPECIFICATIONS.....	
E IRS NOTICE 1015.....	
F SAFELY SURRENDERED BABY LAW .....	
G OPERATOR'S EEO CERTIFICATION .....	
H DEFAULTED PROPERTY TAX REDUCTION ORDINANCE .....	
I CERTIFICATION OF COMPLIANCE WITH ARTIFICIAL TRANS FAT REDUCTION PROGRAM .....	
J COUNTY'S SMOKING BAN ORDINANCE.....	

**OPERATING AGREEMENT FOR THE  
MANAGEMENT, OPERATION AND MAINTENANCE OF THE  
SANTA ANITA COUNTY GOLF COURSE**

THIS OPERATING AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016,

BY AND BETWEEN

**COUNTY OF LOS ANGELES**, a  
body corporate and politic,  
hereinafter referred to as  
"County,"

AND

**STRATO PARTNERS**,  
hereinafter referred to as  
"Operator,"

**RECITALS**

**WHEREAS**, County is authorized by the provision of Government Code Section 25907 to let or grant use recreation lands for concessions and services that are consistent with public park and recreation purposes; and

**WHEREAS**, an operating agreement of the Santa Anita County Golf Course property providing for the overall management, operation, maintenance of grounds and facilities, collection of fees, and provision of golf professional, food and beverage services, and containing appropriate controls to ensure public use of the facilities is consistent with said purposes; and

**WHEREAS**, County and Operator agree that the primary objective for Operator's performance under this Operating Agreement is to maximize the public use of Santa Anita County Golf Course and the revenue to be received by the County as a result thereof;

**WHEREAS**, although the Golf Course Manual of the County of Los Angeles Department of Parks and Recreation is attached hereto as Exhibit B, it is the intention hereof that the provisions in the text or body of this Operating Agreement shall prevail over any inconsistent provisions in said manual.

**NOW, THEREFORE,** in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them does agree as follows:

## **1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, I, and J are attached hereto and form a part of this Operating Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Operating Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Operating Agreement and then to the Exhibits according to the following priority:

- 1.1 EXHIBIT A-1 - Demised Premises
- EXHIBIT A-2 - Licensed Premises
- EXHIBIT A-3 - License Agreement
- 1.2 EXHIBIT B - Department Manual for County Golf Course Operations
- 1.3 EXHIBIT C - County Fees and Charges
- 1.4 EXHIBIT D - General Maintenance Specifications
- 1.5 EXHIBIT E - Internal Revenue Service Notice 1015
- 1.6 EXHIBIT F - Safely Surrendered Baby Law
- 1.7 EXHIBIT G - Operator's Equal Employment Opportunity Certification
- 1.8 EXHIBIT H - Defaulted Property Tax Reduction Ordinance
- 1.9 EXHIBIT I - Certification of Compliance with Artificial Trans Fat Reduction Program
- 1.10 EXHIBIT J - County's Smoking Ban Ordinance

## **2.0 DEFINITIONS**

- 2.1 The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.
- 2.2 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:
  - 2.2.1 **Agreement Year:** the 365 day period commencing on the commencement date of this Operating Agreement and each

following 365 day period thereafter throughout the term of this Operating Agreement.

- 2.2.2 **Auditor-Controller:** the Auditor-Controller of the County of Los Angeles or an authorized representative thereof.
- 2.2.3 **Beverage:** any liquid prepared by flavoring, heating and/or mixing in advance of consumption thereof, including alcoholic beverages as defined in the State Alcoholic Beverage Control Act.
- 2.2.4 **Board of Supervisors:** The Board of Supervisors of the County of Los Angeles acting as governing body or their designee.
- 2.2.5 **Building/s:** any structure that is intended for shelter and/or has a roof and walls especially a permanent structure. It can be any structure that is designed or intended for support, enclosure, shelter or protection of person, animals or property having a permanent roof that is supported by columns or walls.
- 2.2.5 **Building Official:** The Director of the County of Los Angeles Department of Public Works or an authorized representative thereof.
- 2.2.6 **Capital Improvement:** any permanent addition to or betterment of real property, which as determined by the Director, enhances its capital value and involves the expenditure of labor or money and is designed to make the property more useful, valuable and extends the useful life and/or increases the capacity of the Santa Anita County Golf Course facility(ies), as distinguished from ordinary repairs.
- 2.2.7 **County:** the County of Los Angeles.
- 2.2.8 **Department:** The Los Angeles County Department of Parks and Recreation or an authorized representative thereof.
- 2.2.9 **Director:** the Director of the County of Los Angeles Department of Parks and Recreation and/or his designee and/or an authorized representative thereof.

**2.2.10 Golf Course Operation:** the privilege of engaging in the golf activities authorized herein on the public property designated therefore.

**2.2.11 Gross Receipts:** Except as specifically provided by policy statement issued by the Director, the term "gross receipts" as used in this Operating Agreement, is defined to be all money, cash receipts, assets, property or other things of value, including but not limited to: gross charges, sales, rentals, fees and commissions made or earned by Operator whether collected or accrued from any business, use or occupation, or any combination thereof, originating, transacted, or performed in whole or in part, on the premises, including but not limited to rentals, the rendering or supplying of services and the sale of goods, wares or merchandise. Gross receipts shall include the amount of any manufacturers or importer's excise tax included in the prices of any property or material sold, even though the manufacturer or importer is also the retailer thereof, and it is immaterial whether the amount of such excise tax is stated as a separate charge.

- a. There shall be no deduction from gross receipts for any overhead cost or expense of operations, such as, but without limitation to salaries, wages, and costs of goods, interest, debt amortization, credit, collection costs, and discount from credit card operations, insurance and taxes.
- b. Except as specifically provided below, gross receipts reported by Operator must include the full usual charges for any services, goods, rentals or facilities provided by Operator. Gross receipts shall not include the following: direct taxes imposed upon the consumer and collected there from by the Operator such as, Federal, State, or Municipal retail sales taxes, or related direct taxes, which are direct taxes paid periodically by Operator to a governmental agency accompanied by a tax return statement.

- c. The Director, by policy statement consistent with recognized and accepted business and accounting practices, upon consultation with Operator, and with the approval of the Auditor-Controller and County Counsel, may further interpret the term "gross receipts" as used in this Operating Agreement.

**2.2.12 Gross Sales Price:** The total consideration resulting from the transfer of Operator's interest in the concession, or portion thereof, determined by the total cash payments, or the fair market value of Operator's interest in the concession, and the market value of all non-cash consideration, including, but not limited to, stocks, bonds, deferred payments, secured and unsecured notes, and forbearances regarding claims and judgments.

**2.2.13 Inclement Weather:** Weather conditions that include, but are not limited to, rain, flooding, extreme cold or heat, that may impair travel conditions, cause power outages, or otherwise impede public safety or make opening a facility impossible or more difficult.

**2.2.14 Percentage Rental Due:** For the purposes of this Operating Agreement, the words "percentage rental due" mean the Operator's liability for a specific number of years under review as determined by the calculation of rental due to County through the application of the percentages set forth in Section 6.0 of this Operating Agreement.

**2.2.15 State:** the State of California.

**2.2.16 Trade Fixture/s:** is installed by a tenant under the terms of a lease and is used in the business of the tenant. Trade fixtures are removable by the tenant before the lease expires, however, the tenant is liable for any damages caused by such removal. They are distinguished from other fixtures which are considered improvements to real property and which must be left intact when the tenant vacates the premises. In the U.S., a sale of land generally includes any permanent fixtures, unless an item is expressly excluded. Trade fixtures are an exception to this general rule.



**2.2.17 Structure/s:** is defined as: anything constructed or erected with a fixed location on the ground. Among other things, structures include buildings, mobile homes ('manufactured homes'), walls, fences, billboards, and poster panels.

### **3.0 DEMISED PREMISES**

- 3.1 County hereby leases to Operator for its management and operation of a golf course upon the designated grounds within the real property consisting of Santa Anita County Golf Course.
- 3.2 The Demised Premises, as shown on the attached Exhibit A-1, which by this reference is incorporated herein, shall be used only and exclusively for Santa Anita County Golf Course operations and such other purposes as are related thereto provided express approval therefore is granted by the Director for no other purposes whatsoever.
- 3.3 In addition, County hereby licenses Operator's use and occupancy of a portion of the maintenance service yard and facilities as shown in Exhibit A-2, for its authorized operations herein ("Licensed Premises"). Operator understands and agrees that the use of said Licensed Premises is by license and not lease; confers only permission to occupy and use said areas described for golf course maintenance purposes in accordance with the terms and conditions hereinafter specified without granting or reserving to Operator any interest or estate therein; the expenditures of capital and/or labor in the course of use and occupancy thereunder shall not confer any interest or estate in the premises by virtue of said use, occupancy and/or expenditure of money thereon; and it is the intention of the parties to limit the right of use granted herein for the golf course maintenance purposes required herein.
- 3.4 If at such time that the Director determines that the Licensed Premises can be successfully and efficiently separated from its shared use with the adjacent and contiguous Arcadia County Park maintenance area and facilities, the Director and Operator shall negotiate, and thereafter, the Director shall prepare an amendment to this agreement providing for the

inclusion of such additional property as is deemed appropriate for use by Operator for its operation authorized herein. Thereafter, the Operator shall execute, and the Director shall approve and execute said amendment.

- 3.3 Operator acknowledges personal inspection of the demised premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the operation of the Santa Anita County Golf Course. Operator accepts the demised premises in its present condition and agrees to make no demands upon County for any improvements or alteration thereof, except as otherwise set forth in this Operating Agreement hereinafter.
- 3.4 Any improvements, additions, alterations or changes to the demised premises shall be subject to: prior written approval by the Director; securing of applicable permits by Operator; and compliance with such terms and conditions as may be imposed thereon by the Director. All such construction shall be at the Operator's expense with the exception of projects agreed to by Director to be funded from the Capital Improvement Trust Fund.
- 3.5 Operator hereby acknowledges the title of County, and/or any other public agencies having jurisdiction thereover, in and to the demised and licensed premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.
- 3.6 Ownership of all structures, building or improvements constructed by Operator upon the demised and/or licensed premises and all alterations, additions or betterments thereto, shall remain with the Operator until termination of this Agreement. Upon termination thereof, whether by expiration of the term, cancellation, forfeiture or otherwise ownership thereto shall vest in County, without compensation being paid therefor, and such structures, buildings and improvements shall be surrendered with the demised premises, unless demand for the removal thereof shall be given by the Director at least ninety (90) days prior to the date of termination. Should Operator fail to remove said structures, buildings and improvements, same may be sold, removed or demolished by Director or

expense in connection therewith in excess of any consideration received by County as a result of said sale, removal or demolition.

#### **4.0 OPERATOR'S BASIC OBLIGATION**

##### **4.1 Golf Professional**

###### **A. Use Granted**

Operator is hereby authorized and required to sell, rent, store and/or repair golf equipment, clothing and supplies; provide instructional services in the play of golf; rent golf carts and operate a driving range.

###### **B. Merchandise**

Operator shall provide and maintain the necessary inventory of golf merchandise required to meet the needs of the public therefore.

###### **C. Golf Instruction**

Golf shall be taught only by qualified instructors whose qualifications have been approved in writing by the Director. Golf instructors shall observe the rules and regulations for the play of golf on County golf courses as shown in the Golf Course Manual, a copy of which is attached hereto as Exhibit B, in the use of the Santa Anita County Golf Course for instructional purposes.

###### **D. Golf Carts**

1. Operator shall provide a total of not less than eighty (80) power driven golf carts. In addition, Operator shall provide enough manually operated golf carts to meet the public demand therefore at the Demised Premises. The Operator may prohibit the use of golf carts on the Santa Anita County Golf Course whenever weather conditions expose the user to danger or the golf course to damage arising from the operation thereon. All golf carts and the maintenance thereof shall comply with the specifications and maintenance

requirements therefore as set forth in Exhibit B attached hereto.

2. Pursuant to the Department's commitment to non-discrimination on the basis of disability, the Operator shall maintain at least one (1) equally accessible golf cart at the facility that is operational at all times and in addition to the total number golf carts identified above.

**E. Junior Golf Program**

1. Operator shall cooperate with the Director in the promotion of the Department's Junior Golf Program by providing without charge to County or participants therein group lessons, range balls, general golf instruction and junior tournaments. The number of tournaments is identified in the attached Exhibit A, Golf Course Manual, Chapter 1, Section 3, Subsection 1, Tournaments, (3)(f).
2. Within the first year from the beginning of this sub-lease, the Operator is required to implement a Junior Golf Training Program similar to or one in the same as a First Tee Junior Golf Program.

**4.2 Clubhouse/Coffee Shop**

**A. Use Granted**

Operator is hereby authorized and required to sell food and beverages within the Demised Premises, if Operator otherwise complies with all local, State, and Federal regulations related to the sale of food and beverages.

**B. Operator's Staff**

Operator shall not employ as a member of its food and beverage staff any person who cannot produce a certificate showing that within the last two years the person has been examined and has been found to be free of communicable tuberculosis. "Certificate" means a document signed by the examining physician and

surgeon who is licensed under Chapter 5 (commencing with Section 2000), Division 2 of the State Business and Professions Code or a notice from a public health agency that indicates freedom from active tuberculosis.

C. Days and Hours of Operation

Operator shall open the coffee shop for business each and every day no later than thirty (30) minutes before the first golfer begins play. The coffee shop shall remain open throughout the day and shall be closed no sooner than thirty (30) minutes after the last golfer finishes play. Operator may be permitted to close during periods of inclement weather.

D. Merchandise

Operator shall provide and maintain the necessary inventory of food and beverage merchandise required to meet the needs of the public therefore. All foods and beverages sold or kept for sale shall conform to the Federal, State, and County food laws, ordinances and regulations in all respects. No adulterated, misbranded or impure articles shall be sold or kept for sale by Operator and all merchandise kept on hand by Operator shall be stored and handled with due regard for sanitation. In the event food and beverage merchandise are below the standard of that of similar public golf courses in the area, the Director shall have the right to order the improvement of the quality of any food and beverage kept or offered for sale.

**4.3 Starter Services and Marshaling**

A. Use Granted

1. Operator is hereby required to render and provide Santa Anita County Golf Course starter services including but not limited to: the collection of green fees; collection of tournament fees; taking of reservations from the telephone and from patrons at the course and record on starter sheet; place golfer names on

call sheet as necessary; send golfers to the tee and start them off at proper intervals in groups of five, four, three, two or as a single as applicable; receive requests from groups for tournaments, book tournaments and collect appropriate fees fifteen (15) days prior to tournament starting date; take all reasonable actions as necessary to speed play on course; enter golfers names on starter sheet and issue cash register receipt to each golfer as he pays his greens fee; total golf starter sheet at the end of each day's play and reconcile with fee category totals on cash register detail tape; open and close Santa Anita County Golf Course at appropriate times; maintain daily log book detailing number of rounds played by fee categories and total amount of cash collected by fee category. Totals from the daily log book on the number of rounds of play by fee categories shall be submitted to the Director on a monthly basis within 10 days of the final day of the prior month.

2. Operator acknowledges that major tournaments are currently and customarily held at the Santa Anita County Golf Course and agrees to continue to accommodate and encourage such tournaments and to favorably consider suggestions for additional events intended to accommodate the public, increase golf play at the course, and otherwise mutually benefit the parties hereto. Operator shall schedule reserved starting times for tournaments in accordance with established procedures as indicated in attached Exhibit B.
3. Operator shall implement a marshaling program designed to speed-up play and said program shall be approved by the Director. Operator shall provide for a minimum of twenty-four (24) hours of marshaling on a weekly basis, on busy weekdays and all weekends and holidays. The Operator shall

provide golf carts and trained golf course marshals for said program.

- a. The marshals shall be trained to assist as well as monitor the golfer and to expedite play on the course. The marshal may be a paid employee or a volunteer. The marshal shall work with the golf starter and be part of the golf shop team and must be trained and easily identifiable on the course.
- b. The marshal's carts shall be maintained with the regular golf cart fleet. Whether having electric or gas engines, said carts must carry the following equipment: roof; cargo box; and modifications as necessary to carry the special equipment hereinafter listed.
- c. Marshals' Carts Special Equipment

All carts are to carry special equipment as follows: first aid kit with blanket, fast play hand-out cards, scorecards, pencils, golf rule book, communication equipment (walkie-talkie or comparable item).

B. Days and Hours of Operation

Operator shall keep the starter's office open every day, including Sundays and Holidays. The minimum hours of operation shall be 5:30 am to sunset on weekdays and 5:00 am to sunset on weekends and Holidays. Any changes in the days and hours of operation heretofore prescribed shall be subject to written approval by the Director.

C. Equipment

If not otherwise provided, Operator shall provide scorecards which scorecards shall be subject to prior written approval by the Director. Operator shall provide the cash register, cash register tape, golf pencils and daily starter sheets required for the Operator's performance pursuant to the terms of this Operating Agreement.



#### **4.4 Golf Course Advertising**

- A. In accordance with the guidelines identified in Paragraph 14.1 hereinafter and at the Operator's sole cost, the Operator shall publish, at a minimum and on a semi-annual basis, a printed advertisement promoting the Santa Anita County Golf Course. Such printed advertisement shall be not less than 4" x 5" in size and shall be published in a local or regional periodical or golf publication.
- B. The Operator shall maintain a current website to be used in the promotion of the Santa Anita County Golf Course. The website may be specific to the Santa Anita County Golf Course or may be a link from the Operators' company website.
- C. Advertisements outside of the Operator's scope of services and products offered at the Santa Anita County Golf Course are prohibited. This includes advertising on, but not limited to: scorecards, benches, tee signs, ball washers, and carts.

#### **4.5 General Maintenance**

##### **A. Buildings and Equipment**

- 1. Operator shall, at its sole cost, keep and maintain the demised premises and all structures, improvements, fixtures, trade fixtures, equipment and utilities, which may now or hereafter exist thereon, in good operable, useable and sanitary order and repair and in a good safe condition throughout the term of this Operating Agreement, making such repairs and replacements, and doing such rebuilding and restoration as may be required to comply with the requirements of this Operating Agreement.
- 2. Should Operator fail, after a ten (10) day notice from the County of the need thereof, to perform its obligations required hereunder, County in addition to all other available remedies may, but shall not be so obliged, enter upon the Demised

Premises and perform Operator's said failed obligations, using any equipment or materials on the Demised premises suitable for such purposes. Operator shall forthwith on demand reimburse County for its costs so incurred, including direct and indirect overhead.

3. It is hereby understood and agreed by Operator that the County does not have any duty nor shall it be called upon to make any improvements, replacements or repairs whatsoever to the demised premises and to any structures, improvements, fixtures, trade fixtures, equipment and utilities during the term hereof.

B. Grounds Maintenance

1. The Operator shall have the exclusive duty, right and privilege to mow, edge, trim, over seed, fertilize, aerate, irrigate, sod, change cups, service tees, top-dress, repair divots, rake traps, spray, mop, spot irrigate, syringe and renovate turf and shrub areas designated hereunder, as well as to provide weed control, disease and pest control, tree maintenance, irrigation system maintenance including mainlines, pumps, boosters and controllers, keep swales in good repair and the necessary maintenance of any appurtenant structures and equipment, and other duties as set forth in the attached Exhibit E, General Maintenance Specifications.
2. In regard to the level of maintenance, all work shall be performed in accordance with the highest industry-wide golf course maintenance standards at established frequencies so as to maintain the aesthetic level of the Santa Anita County Golf Course with that of similar public golf courses in the area. Standards and frequencies may be modified from time to time as deemed necessary by the County for the proper maintenance of the Santa Anita County Golf Course.

- a. Monthly inspections of all areas included in this Operating Agreement shall be made by the County. The results of each inspection shall be recorded and retained for reference.
  - b. The Operator shall provide a maintenance foreman and maintenance crew at the Santa Anita County Golf Course daily during normal working hours, as determined by the County. All of the Operator's maintenance personnel shall be supervised by a Class "A" superintendent (qualifications are described in the attached Exhibit B, Golf Course Manual) in the full-time employ of the Operator. The Operator shall employ sufficient personnel to perform the work as scheduled and approved by the County. All personnel shall be clean and neat at all times and wear appropriate clothing.
3. In regard to emergency services, the Operator shall provide the County with the names and telephone numbers of at least two (2) qualified persons who can be called by County representatives when emergency maintenance conditions occur during hours when the Operator's normal work force is not present. The County shall call for such assistance only in the event of a genuine and substantial emergency. This section does not pertain to conditions rendering the course unusable as otherwise set forth herein.
4. In regard to the course being out of operation whenever play must be temporarily suspended on a golf facility due to inclement weather conditions, the decision on when to allow play to resume and when to allow carts to go out on the course, will be made by the Operator.
5. In regard to equipment and materials to be provided by the Operator:

- a. The Operator, at its own cost and expense, shall furnish all necessary equipment, supplies, and materials of good quality and in the amounts necessary to fulfill this Operating Agreement and to accomplish an acceptable and professional level of maintenance. This equipment, supplies and materials shall include but not limited to:
  - i. all necessary gas, oil and spare parts for all equipment.
  - ii. all necessary top dressing, seed, fertilizers, fungicides, insecticides and herbicides
  - iii. parts necessary for the repair and maintenance of all irrigation systems.
  - iv. tee towels, soap, ball washers, putting green cups and flags, benches, trap rakes, tee markers, tee mats, trash receptacles, cleat brushes, and all other pertinent golf course equipment.
  - v. materials for the installation and maintenance of French drain.
  - vi. USGA or like bunker sand for traps on an as needed basis as determined by the Director.
- b. The Operator shall secure the County's approval of the type of each supply, material, or equipment prior to its use or installation on golf course facilities.

#### **4.6 Notice of Non-Performance**

##### **A. County's Right to Enter**

Should the Operator fail, after ten a (10) day "Notice to Cure" from the County of the need thereof, to perform its obligations hereunder, the County in addition to all other available remedies may, but shall not be so obliged, enter upon the demised premises and perform Operator's said failed obligations using any equipment or materials on the premises suitable for such

purposes. Operator shall forthwith on demand, reimburse County for its cost so incurred including direct and indirect overhead.

**B. Liquidated Damages**

If the Director determines that there are deficiencies in the performance of this Operating Agreement, the Director shall provide a written notice to the Operator to correct the deficiency. The Operator shall have ten (10) days upon receipt of written notification to correct the deficiency, except for repair of leaking valves, which must be corrected within twenty-four (24) hours following notification. If said deficiency is not corrected within the ten (10) day period, or the twenty-four (24) hour period as applicable, the sum of Two Hundred Fifty Dollars (\$250.00) is hereby agreed upon as the amount of damages that shall be sustained by the County for each day that the deficiency exists. Said amount has been set by the parties hereto in recognition of the difficulty in fixing actual damages.

## **5.0 TERM OF AGREEMENT**

- 5.1 The term of this Operating Agreement shall be for a period of twenty (20) years, following the Board of Supervisors approval, and shall commence on **September 1, 2016** through **August 31, 2036**, following the Director's execution of this Operating Agreement.
- 5.2 The term of this Operating Agreement may be extended at the sole discretion of the Director of the Department of Parks and Recreation for an additional five (5) years.

## **6.0 CONSIDERATION**

- 6.1 Commencing the effective date of this Operating Agreement and continuing through the third (3<sup>RD</sup>) year of the term of this Operating Agreement, the Operator shall pay the County a monthly amount equal to the sum of the percentages of the total monthly gross receipts.
- 6.2 Commencing on the first day of the **fourth (4<sup>TH</sup>)** year of this Operating Agreement and continuing through the term of this Operating Agreement,

and any Option Term,, the Operator shall pay the County a monthly amount equal to the greater of: (1) the monthly minimum; or (2) the sum of the percentages of the total monthly gross receipts received.

6.3 Pursuant to Section 6.2 above, the monthly minimum rent shall be established by taking one-twelfth (1/12) of **eighty percent (80%)** of the rent received during the **third (3<sup>RD</sup>)** year of the term of this Operating Agreement.

- Commencing on the first day of the **seventh (7<sup>TH</sup>)** year of this Operating Agreement and at the end of each **three (3)** year period thereafter for the remainder of the term herein provided, and any Option Term, the monthly minimum shall be subject to readjustment. The adjusted monthly minimum shall be an amount equal to one-twelfth (1/12) of eighty percent (80%) of the average of the previous three (3) years of rent paid to the County by the Operator. The adjusted monthly minimum amount shall not be less than the preceding year's monthly minimum amount.

6.4 Pursuant to Sections 6.1 and 6.2 above, the percentages of rent of the monthly gross receipts to be used during the term of this Operating Agreement, and any Option Term, are identified in the table below:

Minimum Rent Percentages								
Lease Year	1-3	4	5	6-8	9-12	13-14	15-16	17-20
Green Fee, Cart Fee, Range, Senior Cards, Tournament Fees	20%	21%	22%	23%	25%	27%	30%	32%
Sale, Repair, Rental of Golf Related Merchandise, Vending Machine Sales and/or Commissions, Ancillary Services and related equipment, Other Miscellaneous Sales	6%	6%	6%	6%	6%	6%	6%	6%

Food & Beverage	8%	8%	8%	8%	8%	8%	8%	8%
Liquor	12%	12%	12%	12%	12%	12%	12%	12%
Facility and Room Rentals, Parking Lot Rentals, and Filming Fees	25%	25%	25%	25%	25%	25%	25%	25%

6.5 Operator agrees to pay one dollar of each paid tournament registration fee collected in order to assist the County in funding the County's Junior Golf Program (JGP).

6.5.1 Operator shall report, by separate line item, the aggregate of said payments derived from monthly tournament registration fees in the monthly revenue statement that accompanies its regular rent payment as required by this Operating Agreement.

6.5.2 County agrees to use such funds for its JGP only, and shall make every reasonable attempt to provide junior camps, clinics, tournaments and other special events as frequently as possible in accordance with its goals to serve all golf courses within its system.

6.6 The parties acknowledge and agree that the County had previously established a Golf Course Capital Improvement Program Fund (CIPF) for the demised premises. Said CIPF names, and is administered by, County as its sole trustee. The distribution of moneys deposited, and any interest earned thereon, shall be based on County's and Operator's approved Capital Improvement Program as set forth in Section 10 hereinafter.

6.6.1 Notwithstanding the Paragraph 6.5.1 above, the Operator agrees to collect the Golf Course Improvement Fee (GCIF), as outlined in Attachment D, Golf Course Green Fee Rates, and shall forward to the County one hundred percent (100%) of the GCIF collected. In the event that the Golf Course Green Fees increase, then the Operator agrees to collect the GCIF at the new rate.



- a. Said fees are not to be reported as a gross receipt and therefore, shall not be calculated in the rent to be paid to the County.
- b. Operator shall report, by separate line item, the aggregate of said payments derived from the GCIF in the monthly revenue statement that accompanies its regular rent payment as required by the sublease.
- c. County agrees that one hundred percent (100%) of the GCIF will be deposited in a separate Capital Improvement Account exclusively for said funds.
- d. Operator agrees that the funds raised by the GCIF will be used for course improvements that directly affect the golfing experience at the course, including, but not limited to, refurbishment of greens, bunkers, tee boxes, etc., and major maintenance.
- e. Within thirty (30) days of the date first above written, Operator shall submit a list of improvements to be funded from this GCIF and an implementation schedule to the Director for approval. Operator shall, within thirty (30) days of receipt of Director's approval of the proposed improvements and the priority of funding those improvements, post in a public area of the golf course the approved list of improvements and schedule of project timelines so that the public can be aware of the golf course improvements to be funded from the GCIF. As improvements are completed, the Operator shall update the posted list to reflect the implemented and planned improvements status. Operator and the Director will coordinate updates to the list as appropriate so that the GCIF will be dedicated to improvements directly affecting the golfing experience. Nothing in this Sublease shall prevent the Operator and Director from coordinating on the improvements to be funded, or prevent the Director from proposing projects or from determining priority of funding from the

GCIF. As the parties agree that the intent of the GCIF is to augment funding to directly improve the golfing experience, the parties agree that: The Director is authorized to make the final determination on improvements to be funded by the GCIF if the parties fail to agree on the list and implementation schedule within six (6) months of the effective date of this Sublease.

- f. County reserves the right from time to time to audit and verify from the related books and records of the Operator to ensure that disbursement of funds from the GCIF are in keeping with the provisions of this Sublease. In the event any disbursement of funds from the GCIF is not in accordance with the provisions of this Sublease, as determined by the Director, Operator shall reimburse the County, for deposit into the GCIF, the shortage within thirty (30) days upon receipt of a written notice, plus an amount equal to the interest that would have accumulated on the amount from the time of disbursement until repayment.

6.6.2 It is expressly understood by both parties that any and all distributions from said CIPF shall be used exclusively for Capital Improvements involving the demised premises. At the termination of this Operating Agreement, all unexpended moneys shall be retained by the County.

- 6.7 When the Director and Operator find that a percentage of gross receipts is not suitable or applicable for a particular activity not otherwise provided for herein, the Director may establish a minimum monthly amount and/or percentage of gross receipts as payment for the privilege of engaging therein. Said amount shall be set by mutual consent of the Director and Operator and shall be reasonable in accordance with the revenue to be generated there from.
- 6.8 Payment shall be made to the Department on or before the fifteenth (15th) day of the calendar month following each month of the term of this Operating Agreement. Payment shall be by check or draft and made

payable to the County of Los Angeles Department of Parks and Recreation. **However, any check that is returned for non-sufficient funds, for any reason, the Operator shall pay an additional thirty-three dollar (\$33) service fee.** Payments shall be mailed or otherwise delivered to the Treasurer/Tax Collector, P.O. Box 54927, Los Angeles, California 90054-0927. In addition, a late payment charge of two percent (2%) compounded per month shall be added to any late payment received by the Treasurer/Tax Collector after the fifteenth day of the month. However, the late payment charge herein provided may be waived, whenever the Director, in his sole discretion, finds the late payment excusable by reason of extenuating circumstances. At no time during the term of this Operating Agreement shall the County be obligated to notify the Operator of the accumulation of late payment charges.

## **7.0 CHANGES AND AMENDMENTS**

- 7.1 The County's Board of Supervisors or its designee may require the addition and/or change of certain terms and conditions in this Operating Agreement during the term of this Operating Agreement. The Director reserves the right to add/or change such provisions as required by the County's Board of Supervisors. To implement such orders, an Amendment to this Operating Agreement shall be prepared and executed by the Director and Operator.
- 7.2 Notwithstanding the above, this document may be modified only by further written Agreement between the parties. Any such modification shall not be effective unless and until executed by Operator and in the case of County, until approved by Board of Supervisors.

## **8.0 ACCOUNTING RECORDS**

- 8.1 All sales shall be recorded by means of cash registers which publicly display the amount of each sale and automatically issue a customer's receipt or certify the amount recorded on a sales slip. Said cash registers shall in all cases have locked-in sales totals and transaction counters which are constantly accumulating and which cannot, in either case, be reset. In addition, such cash registers must have a tape located within the register

upon which transaction numbers and sales details are imprinted. Beginning and ending cash register readings shall be made a matter of daily record. In the event of a technical or electrical failure of the cash registers, Operator shall record by hand all collections, and issue a sequentially pre-numbered customer's receipt in like manner.

8.2 Operator shall furnish the Director with a monthly gross receipts report showing the amount payable there from to the County. Such a report shall accompany each monthly payment required to be made as provided herein. The monthly reporting period shall be by calendar month rather than monthly anniversary date of the effective date of this Operating Agreement. In addition thereto, Operator shall furnish an annual profit and loss statement and a balance sheet prepared by a person and in a form acceptable to the County. The annual profit and loss statement shall be submitted to the Golf Operations Office within sixty (60) days of the close of the calendar year.

8.3 Operator shall maintain a method of accounting which shall, to the satisfaction of the Auditor-Controller, correctly and accurately reflect the gross receipts and disbursements of Operator in connection with the operation. The method of accounting, including bank accounts, established for said operation shall be separate from the accounting system used for any other business operated by Operator or for recording Operator's personal financial affairs. Such method shall include the keeping of the following documents:

8.3.1 Regular books of accounting such as general ledgers;

8.3.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;

8.3.3 State and Federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown which shall be kept in confidence by County;

- 8.3.4 Cash register tapes (daily tapes may be separated but shall be retained so that from day to day the sales and/or rentals can be identified);
- 8.3.5 Any other accounting records that the Auditor-Controller deems necessary for proper reporting of receipts;
- 8.4 All documents, books and accounting records shall be open for inspection and re-inspection at any reasonable time during the term of this Operating Agreement and for five (5) years thereafter. In addition, the County may from time to time conduct an audit and re-audit of the books and business conducted by Operator and observe the operation of the business so that accuracy of the above records can be confirmed. All information obtained in connection with the County's inspection of records or audit shall be treated as confidential information and exempt from the public disclosure thereof to the extent permitted under the California Public Records Act.
- 8.5 In the event that an audit or review conducted by the Auditor-Controller and/or Director finds that, due to Operator's non-compliance with its obligation to report gross receipts received in connection with its operations authorized herein, an actual loss and/or a projected loss of revenue to County can be determined, Director may, at his option, (1) bill Operator for said losses, said amount to be paid to County within thirty (30) days following billing therefore unless otherwise specified by Director; and/or (2) use the Security Deposit as provided for herein; and/or, (3) assess liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Operator to correctly report gross receipts, and a projected loss of revenue due to County. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is Two Hundred Fifty Dollars (\$250.00) per day for each day of the loss period as determined by County, and that the Operator shall be liable to the County for liquidated damages in said amount.

- 8.6 Should the Director find that the additional rental payment due to County exceeds two percent (2%) of the total amount which should have been paid as determined by such review or audit and observation, and there being no reasonable basis for the failure to report and pay thereon, Operator shall also pay the cost of the audit as determined by County and pay any penalty heretofore provided for the delinquent payments.

## **9.0 SECURITY DEPOSIT**

- 9.1 Prior to the commencement of this Operating Agreement, Operator shall pay to the Director the sum of **One Hundred Thousand Dollars (\$100,000)** in the form of a cashier's check made payable to the Department of Parks and Recreation or shall purchase and maintain a performance bond in the amount of no less than \$100,000 in favor of and acceptable to the County during the term of this Operating Agreement including any extension option which may be exercised.
- 9.2 Said Security Deposit shall serve as security for faithful performance of all covenants, promises and conditions assumed herein by Operator, and may be applied in satisfaction and/or mitigation of damages arising from a breach thereof, including, but not limited to, delinquent payments; correction of maintenance deficiencies; securing required insurance; loss of revenue due to abandonment, vacation or discontinuance of Operator's operation; discrimination; refunding of deposits for scheduled future events which are required to be canceled due to abandonment, vacation or discontinuance of Operator's operation; a breach of obligations assumed by Operator herein with respect to the requirements therefore by County, including the payment of mechanic's liens. Application of amounts on deposit in satisfaction and/or mitigation of damages shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Operating Agreement.
- 9.3 In the event any or all of said amount is applied in satisfaction and/or mitigation of damages, Operator shall immediately deposit such sums as

are necessary to restore the Security Deposit to the full amount required hereunder.

- 9.4 Said Security Deposit shall be returned to Operator upon termination of this Operating Agreement less any amounts that may be withheld there from by County as heretofore provided.

## **10.0 REQUIRED CAPITAL IMPROVEMENT PROGRAM**

- 10.1 Operator shall prepare and annually submit for the review and approval by the Director, a proposed list of Capital Improvement Program (CIP) projects. Said list shall describe each proposed project, the estimated improvement costs, and the intended time frame for commencement and completion of each proposed project. Implementation of the approved CIP project list shall be subject to the requirements set forth herein and in the Manual.
- 10.2 Operator shall submit its proposed CIP list to the Director prior to the end of the first year of the term of this Operating Agreement, and thereafter on an annual basis. Director shall notify Operator of the approval, disapproval, or modification of said list within one hundred eighty (180) days following receipt of same. Director and Operator may agree, from time to time that various capital improvement(s) mutually agreed upon, shall be completed as necessary to improve and/or ensure the usability of the premises. In the event that the Director and Operator do not mutually agree upon capital improvement(s), then the Director has, at all times, the final decision on capital improvement(s) approval and implementation.
- 10.3 Prior to commencement of construction, Operator shall obtain Director's written approval of all plans, specifications and construction cost estimates, using a minimum of three bids or proposals, for the improvements to be constructed upon the demised premises. No modification of said plans, specifications, or improvements, including landscaping, shall be made by Operator without approval thereof by the Director. Operator agrees that County may have on the site at any time



during the construction an inspector who shall have the right of access to the premises and the construction work.

- 10.4 The parties agree that any delay in the construction due to fire, earthquake, war, labor dispute or other events beyond the control of Operator shall extend the time in which said construction must be completed by the length of time of such delay.
- 10.5 Operator shall construct, perform, complete and maintain all construction and installations covered by this Operating Agreement in a good and workmanlike manner and with high quality materials, and shall furnish all tools, equipment, labor and material necessary to perform and to complete same. Upon completion of the improvements, Operator shall furnish the Director with one (1) complete set of as-built construction drawings on Mylar or its equivalent acceptable to the Director (all circuit breakers, mechanical equipment, switches, plumbing and fire sprinkler section and main valves shall be plainly labeled and a master index shall be provided); operating manuals for building equipment and systems; and copies of all written warranties. Upon termination of this Operating Agreement whether by expiration of term or cancellation, Operator shall assign to County all express warranties furnished by other persons in connection with the provision of labor and/or material to the works of improvement covered by this Operating Agreement. Upon review by and consultation with County's Risk Manager, Operator shall provide such insurance coverage as Director may reasonably deem necessary for the contemplated CIP project.
- 10.6 Commencement of construction shall occur after the Operator receives an advance payment from the County. The Operator agrees to commence work within a reasonable timeframe but not to exceed thirty (30) days. The Director may administratively adjust the 30-day schedule when, in the opinion of the Director, circumstances occur that are not the fault of the Operator which cause a delay to the construction start schedule. If this occurs, the Operator agrees to put the advanced

payment into an interest-bearing account and agrees that all interest accrued be applied to the principal for project costs.

- 10.7 It is understood that the construction and/or improvements required herein may, at the discretion of Operator be constructed in phases, each phase being separated from the other by a period of time to be mutually agreed upon by Operator and the Director. In the event the required construction is phased as herein provided, and subject to the provisions of paragraph 10.4, diligent prosecution thereof shall require commencement of each phase on or before the date selected for commencement thereof and shall require completion of construction as provided for herein.
- 10.8 Within ten (10) days of the commencement date of this Operating Agreement, the Operator shall deposit **\$250,000** into the Santa Anita CIPF. On or before the first day of the **third (3<sup>RD</sup>)** year of the term of this Operating Agreement, the Operator shall deposit an additional **\$250,000** into the Santa Anita CIPF.
- 10.9 In order to ensure the Operator's performance of a Capital Improvement Program, the County shall deposit ***ten percent (10%) of the rent collected for green fees, tournament fees and Senior cards*** into the CIPF with the County Treasurer. The fund shall name the County as trustee. The distribution of monies so deposited and the interest earned thereon, if any, shall be based upon County's and Operator's approved Capital Improvement Program.
- 10.10 Upon final approval by the Director of the plans, specifications and construction cost estimates for the capital improvement(s), the Director shall instruct the Auditor-Controller to issue a warrant to the Operator in the amount of ninety percent (90%) of the construction cost estimate. Upon completion of the capital improvement(s) and acceptance by the Director, the Auditor-Controller shall be instructed by the Director to issue a warrant to the Operator in the amount of the remaining balance of the actual construction cost.

- 10.11 The monies deposited and accumulated in the Capital Improvement Program fund shall at all times be administered by the County as trustee. At the termination or other expiration of this Operating Agreement, all unexpended funds shall be retained by the County.
- 10.12 It is expressly understood by County and the Operator that any and all distributions from said Fund shall be used exclusively for Capital Improvements within the demised premises as identified in Exhibit A.
- 10.13 **Required Capital Improvement Projects**  
Using funds distributed from the CIPF, the Operator is required to complete the following Capital Improvement Projects, subject to review and written approval by the Director:
1. Clubhouse (including associated pro shop) interior and exterior upgrade. Project to include design and construction of upgrades to all areas mutually agreed upon; and
  2. Tree trimming as described in 14.21 below.

## **11.0 BONDS**

- 11.1 The Operator shall maintain a performance bond in an amount of not less than one hundred percent (100%) of the costs for each construction project to be performed, as estimated by the Director, payable to the County of Los Angeles and executed by a corporate surety authorized to conduct business as a surety in the State of California. The condition of the bond shall be such that if the Operator shall well and truly perform the construction herein required, pursuant to the approved plans and specifications therefore, then surety shall no longer be bound thereon. Said bond shall be maintained in full force and effect by the Operator until said works of improvement have been accepted by the Director.
- 11.2 The Operator shall maintain a performance bond in an amount of not less than one hundred percent (100%) of the costs for each construction project to be performed labor, materials, appliances, teams or power, as estimated by the Director, payable to the County of Los Angeles and executed by a corporate surety authorized to conduct business as a

surety in the State of California. The payment shall also inure to the benefit of all claimants, as said term is presently defined by Section 3085 of the State Civil Code, or may hereafter be amended, so as to give such claimants a right of action to recover thereon in any suit brought to foreclose the liens provided for in Title 15 of Part 4 of Division 3 of the Civil Code or in a separate suit brought upon the bond. The condition of the bond shall be such that if the Operator shall well and truly pay, or cause to be paid, all claims for labor, materials, appliances, teams or power, or either or all performed, furnished or contributed in connection with said works of improvement, then surety shall no longer be bound thereon. Said bond shall be maintained in full force and effect until all claims for labor, materials, appliances, teams or power have been paid as evidenced by release of mechanic's liens by claimants.

- 11.3 The Director may accept in lieu of the bonds heretofore described, the performance and payment bonds of corporations duly authorized to issue surety bonds by the State, naming as principal a licensed contractor employed by the Operator to construct works of improvement on the demised premises, provided each bond is in an amount equal to the percentage hereinabove provided; names the County as an additional obligee; contains terms and conditions substantially similar to the requirements heretofore specified; and is satisfactory as to sufficiency and liability of sureties named thereon.
- 11.4 The Director may also accept in lieu of the bonds heretofore described, the deposit and assignment to County of investment certificates and shares of a savings and loan, provided the deposits are in an amount equal to the face value of the bonds and comply with the requirements, conditions and procedures prescribed for the assignment of such accounts by Charter 436 of the Los Angeles County Code.
- 11.5 The Operator shall have the option to deposit with the County, cash or United States Government securities in all respects satisfactory to the Director in lieu of the surety obligations herein required. Said cash or

securities shall be deemed deposited with County to secure full and satisfactory performance of the principal obligations heretofore described for which the surety is required and shall be released upon satisfactory performance thereof as evidenced by certification of completion by the Director and release of mechanic's liens by all claimants. In lieu thereof, the Operator may deposit the required amount in a bank whose deposits are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) or a savings and loan whose deposits are insured under Title 4 of the National Housing Act (12 U.S.C. 1724 et seq.), provided the account is made payable to the County on demand and the certificate of deposit is delivered to the Director. The Operator shall be entitled to all interest on the deposit and the return of the certificate of deposit upon satisfactory performance as heretofore defined.

## **12.0 DESTRUCTION OF THE DEMISED PREMISES**

- 12.1 In the event the Demised Premises shall be totally or partially destroyed by a risk covered by the insurance coverage required herein, Operator shall either restore the premises or terminate this Operating Agreement. If the destruction is from a risk for which coverage is not required or provided under said policy of insurance, County shall either restore the premises or terminate this Operating Agreement. County shall make the loss adjustment with the insurance company insuring the loss and receive payment of the proceeds of insurance. Said insurance proceeds, if any, shall be held for the benefit of Operator only in the event of an election by Operator to restore the premises and shall be disbursed in installments as construction progresses for payment of the costs of restoration upon satisfactory performance of the work required, as evidenced by certification of completion by the Director and release of mechanic's liens by all persons furnishing labor and materials thereon. If the proceeds of insurance are insufficient to pay the actual costs of restoration, Operator shall deposit the amount of the deficiency

with the County upon demand therefore by the Director, and said sums shall be held for payment of said costs and disbursed in the manner heretofore provided. Any undistributed funds shall be retained by County and credited to the rental reserved over the remaining term of this Operating Agreement. In the event Operator elects to restore the Demised premises, plans, specifications, and construction cost estimates for the restoration thereof shall be prepared by Operator and forwarded to Director for approval prior to the performance of any work thereon. Said documents shall be prepared and submitted in a timely manner following adjustments of the loss and receipt of the proceeds of insurance by County. The required construction shall be performed by Operator and/or licensed and bondable contractor(s) thereof who shall be required to carry comprehensive liability and property damage insurance, workers' compensation insurance, and standard fire, and extended coverage insurance, with vandalism and malicious mischief endorsements, during the period of construction, in amounts equal to the insurance limits required herein, or as otherwise determined by the County. Said construction shall be commenced promptly following the approval thereof by the Director, issuance of permits therefore by governmental agencies having jurisdiction there over, and posting of the construction site by County with notice of non-responsibility, and shall be diligently prosecuted to completion. All work shall be performed in accordance with the approved plans and specifications, unless changes therein are approved in advance thereof by Director. Operator agrees that County may have on the site at any time during the construction period an inspector who shall have the right of access to the Demised premises and the work occurring thereon. Operator, at the commencement of the construction work, shall notify Director in writing of the identity, place of business, and telephone number of responsible person(s) in charge of the construction to be occurring thereon. All construction shall be performed in a good and workmanlike manner.

Upon completion of the restoration, Operator shall immediately record a notice of completion with the Registrar-Recorder.

- 12.2 If the premises are restored, this Operating Agreement shall continue in full force and effect, except that the payment to be made by Operator shall be abated and/or other relief afforded to the extent that the Director may determine the damage and/or restoration interferes with this Operating Agreement operation provided a claim therefore is filed with the Director within one hundred (100) days of notice of election to restore the premises. Any such claim shall be denied if the destruction of the Demised Premises is found by the Director to have been caused by the fault or neglect of Operator. Operator agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the operation, and permitting examination and audit of all accounting records kept in connection with the conduct thereof.
- 12.3 Operator shall cooperate in the restoration of the Demised Premises by vacating and removing there from all items of inventory, trade fixtures, equipment and furnishings for such periods as are required for the restoration thereof.
- 12.4 The aforesaid provisions for abatement and/or other relief shall also be applicable to a total or partial destruction of the Santa Anita County Golf Course by the aforementioned causes, except that the relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of said park due to the partial or total closure thereof has affected the Operating Agreement.
- 12.5 Any restoration construction must comply with environmental laws, National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). In addition, any approval that shall require a NEPA document; the cost of which shall be the responsibility of the Operator.
- 12.6 Operator agrees to accept the remedy heretofore provided in the event of a destruction of the Demised Premises and hereby waives any and

all additional rights and remedies for relief or compensation that are presently available or may hereafter be made available under the laws and statutes of this State.

### **13.0 CONSTRUCTION BY COUNTY AFFECTING DEMISED PREMISES**

- 13.1 In the event County shall construct or cause construction within the Demised Premises, this Operating Agreement shall continue in full force and effect, except that the payments to be made by Operator shall be abated and/or other relief afforded to the extent that the County may determine the construction interferes with the authorized operations, provided a claim therefore is filed with the Director within one hundred (100) days of commencement of construction.
- 13.2 Operator agrees to cooperate with County in the event the construction affects the Demised Premises by vacating and removing there from all items of inventory, trade fixtures, equipment and furnishings for such periods as are required by the construction of the new facilities. Operator further agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the operation and permitting examination and audit of all accounting records kept in connection with the conduct thereof.
- 13.3 Following completion of the new facility, Operator shall resume its operations there from within thirty (30) days of written notice from the Director that the Demised Premises are tenantable.
- 13.4 The aforementioned provisions of this section shall also be applicable in the event of performance of work at the Santa Anita County Golf Course that requires a partial or total closure thereof, except that the abatement and/or other relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of the Demised Premises due to the partial or total closure thereof, has affected the Operator's operations.
- 13.5 Operator agrees to accept the remedy heretofore provided in the event of construction upon the Demised Premises and hereby waives any and



all additional rights and remedies for relief or compensation that are presently available or may be made available hereafter under the laws and statutes of this State.

## **14.0 OPERATING RESPONSIBILITIES**

### **14.1 Advertising and Publicity Materials**

14.1.1 Operator shall not, nor shall it authorize another to promulgate or cause to be distributed any advertising or publicity materials unless prior approval thereof is obtained from Director. Said approval shall not be unreasonably withheld or delayed. Such materials shall include, but are not limited to: advertising in newspapers, magazines and trade journals, the internet, and radio and/or television commercials.

14.1.2 In recognition of the Operator's need to identify its services and related clients to sustain itself, the County shall not prohibit the Operator from publishing in any of its bids, proposals, and sales materials that it has been awarded this Operating Agreement by the County of Los Angeles, with the understanding that such materials are to be prepared in a professional manner, and that the materials are subject to the requirements of this Subsection 14.1 of this Operating Agreement.

#### **14.1.3 Credit for the County**

Operator agrees that any advertising or promotional materials promulgated by Operator, which contains the words "Santa Anita County Golf Course", or any derivative thereof, shall also include the phrase, "a unit of the County of Los Angeles Department of Parks and Recreation System" with the County seal and the Parks and Recreation Department logos, unless specifically approved otherwise by the Director.

**14.2 Compliance with Laws, Rules and Regulations**

Operator shall conform to and abide by all municipal and County ordinances, and all State and Federal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for this Operating Agreement, any related activity, and/or construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction there over. Further, Operator shall conform to and abide by all rules and regulations and policies of the County's Board of Supervisors, the Director of the Department of Parks and Recreation, and any other County agencies insofar as the same or any of them are applicable.

**14.3 Operator's Staff and Employment Practices**

14.3.1 Operator shall maintain adequate and proper staff for its authorized operations. Operator shall designate an Operations Manager with whom County may deal with on a daily basis. Any person selected by Operator as an Operations Manager shall be skilled in the management of businesses similar to the operation and shall be subject to approval by the Director. The Operations Manager shall devote substantial time and attention to the operations authorized herein and renders such services and convenience to the public as are required. The Operations Manager shall be fully acquainted with the operation, familiar with the terms and the conditions prescribed therefore by this Operating Agreement, and authorized to act in the day-to-day operation thereof.

14.3.2 The Director may at any time give Operator written notice to the effect that the conduct or action of a designated employee of Operator is, in the reasonable belief of the Director, detrimental to the interest of the public patronizing the Demised Premises. Operator shall transfer or reassign any such employee within a reasonable period of time following notice thereof from the

Director, and such employee shall not be assigned to any other County Department of Parks and Recreation facility.

- 14.3.3 The Operator warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Operating Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Operator shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Operator shall retain all such documentation for all covered employees for the period prescribed by law. The Operator shall indemnify, defend and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Operator or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Operating Agreement.
- 14.3.4 The Operator must establish an identification system for personnel assigned to the starter service which clearly indicates to Santa Anita County Golf Course patrons the name of the person(s) on duty and responsible for collecting greens fees. The identification system shall be furnished at the Operator's expense and shall include appropriate attire, name badges and/or name plates as specified by the Director
- 14.3.5 At any time prior to or during the term of this Operating Agreement, the County may require that all of the Operator's

staff performing work under this Operating Agreement undergo and pass, to the satisfaction of the County, a background investigation, as a condition of beginning and continuing to work under this Operating Agreement. The County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the sole expense of the Operator, regardless if the Operator's staff passes or fails the background clearance investigation.

#### 14.3.6 Confidentiality

- a. Operator shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- b. Operator shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Operator, its officers, employees, agents, or Sub-Contractors, to comply with this Paragraph 14.3.6, as determined by County in its sole judgment. Any legal defense pursuant to Operator's indemnification obligations under this Paragraph 14.3.6 shall be conducted by Operator and performed by counsel selected by Operator and approved by

County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Operator fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Operator for all such costs and expenses incurred by County in doing so. Operator shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- c. Operator shall inform all of its officers, employees, agents and Sub-Contractors providing services hereunder of the confidentiality provisions of this Contract.

#### **14.4 Days and Hours of Operation**

The Operator shall keep said operation open every day, including Sundays and Holidays. The minimum hours of operation shall be the same as for the Santa Anita County Golf Course starter office on each day the said operation is required to be open. Operator shall post hours of operation in a visible location. Open play on the course may be suspended during periods of inclement weather. Operator shall comply with the approved schedule of days and hours of operation unless prior written authorization to deviate from said schedule is obtained from the Director. Operator shall maintain an answering device in the name of the Operator and shall respond to any message left by County within a twenty-four (24) hour timeframe.

#### **14.5 Disorderly Persons**

Operator agrees to exercise every reasonable effort to not allow any loud, boisterous or disorderly persons about the Demised Premises.

## **14.6 Facility Fees and Charges**

### **14.6.1 Green Fees**

In accordance with use granted herein, the rates that can be charged to the public for green fees are identified in Exhibit C, County Fees and Charges, which is attached hereto and incorporated herein. Said Fees and Charges are approved and established by the Board of Supervisors and are subject to change by the Board of Supervisors.

### **14.6.2 Golf Cart Rental Fees**

The Director reserves the right to establish the golf cart rental fees, and such fees may not be modified by Operator without written approval from the Director.

## **14.7 Filming**

In the event that any filming is proposed to be conducted on the Demised Premises, Operator will be required to obtain required filming permits from Film LA Inc. All filming requires review and approval by the Director.

## **14.8 Golf Clubs/Organizations**

Operator acknowledges that at the golf facility there is presently organized, active and participating responsible golfing organizations that have over long periods have been helpful to the County in the operation and improvement of said Santa Anita County Golf Course. Without granting any special privileges to any person or group, the Operator agrees to encourage and accommodate these organizations, and to consult with their authorized representatives on matters of mutual interest. Similarly, the Operator agrees to encourage formation of additional responsible golfers' organizations by users of the golf facility and to consult with them in the same manner.

## **14.9 Golf Course Evaluation Report**

14.9.1 County and Operator agree that the overall condition and playability of the Santa Anita County Golf Course, and the

condition of the buildings thereon is of the primary importance to both parties. As this Operating Agreement specifies the standards of performance deemed necessary for proper maintenance, the County has developed a Golf Course Evaluation Report to document Operator's performance pursuant to said standards.

14.9.2 The County's Golf Course Evaluation Report, a sample of which will be provided to Operator and hereafter shall be included herein by this reference, will be completed by an authorized representative(s) of the Director subsequent to a golf course inspection by said representative(s). The County shall make every reasonable effort to conduct such inspections on a regular basis, generally once every three to four weeks, and the Operator or his authorized representative may be invited to participate in the inspection tour of the premises.

14.9.3 The Director reserves the right to modify, update, and/or amend the general content and format of the Evaluation Report forms in order to provide for a suitable instrument for the documentation of Operator's performance.

**14.10 Habitation**

No human habitation will be permitted on the premises. This will not be construed to prohibit the Operator from providing properly designed guard-stations for night watchmen or other patrolmen, as approved in writing by the Director.

**14.11 Illegal Activities**

Operator shall not knowingly permit any illegal activities to be conducted upon the Demised Premises.

**14.12 Prices**

Operator shall at all times maintain and post a complete list or schedule of the prices collected for all fees, charges, goods, rentals, and services,

or combinations thereof, supplied to the public on or from the Demised premises. The Director hereby reserves the right to review and approve said fees and any increase requires approval from the Director. Said prices shall be fair and reasonable and based upon the following considerations: that the Use Granted is intended to serve the needs of the public for the goods and/or services supplied at a fair and reasonable cost; comparability with prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area; and reasonableness of profit margin in view of the cost of providing same in compliance with the obligations assumed in this Operating Agreement. In the event the Director notifies Operator that prices being charged are not fair and reasonable, Operator shall have the right to confer with the Director and justify said prices. Following reasonable conference and consultation thereon, Operator shall make such price adjustments as may be ordered by the Director.

**14.13 Public Use**

Operator shall use its best efforts to maximize the public use of the Santa Anita County Golf Course at the demised premises and the facilities thereon.

**14.14 Quality of Services**

Service to the public is of prime concern to County and is considered a part of the consideration for this Operating Agreement. Therefore, Operator agrees to operate and conduct its operation in a manner to that of similar public golf courses in the area providing similar activities, programs and services. Operator, following receipt of written notification therefore, shall immediately withdraw or remove from sale any goods, services, and/or merchandise which may be found objectionable to the Director based on findings that the provision of such terms are not in the best interest of the public welfare.



**14.15 Reporting**

The Operator or his representative shall meet with the Director or his representative once every month, and at such other times as may be required by the County to review Operator's performance under this Operating Agreement and to discuss any problems or matters as determined by the County.

**14.16 Safety**

14.16.1 Operator shall immediately correct any unsafe condition of the Demised Premises or unsafe practices occurring thereon, as well as comply with all applicable safety laws. Operator shall cooperate and comply fully with County, State, Federal or any other regulatory agency having jurisdiction there over regarding any safety inspections and certifications of any and all Operator's structures, enclosures, vehicles and/or equipment.

14.16.2 Operator shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the Demised Premises and shall cooperate fully with County in the investigation of any accidental injury or death occurring on the Demised Premises. Operator shall submit a report within twenty-four (24) hours to the Director of any accidental injury or death.

14.16.3 Inclement Weather

Operator shall make an assessment of the demised premises to determine if it is safe for use by the public.

**14.17 Sanitation**

No offensive matter or refuse, or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Demised Premises. Operator shall provide that all refuse is collected as often as necessary, and in no case less than once a week, and shall pay

all charges which may be made for the removal thereof. Operator shall furnish all equipment and materials necessary, including trash receptacles of the size, type, color and number required by the Director, to maintain the Demised Premises in a sanitary condition. Public restrooms shall be cleaned on a daily basis.

**14.18 Security Devices**

Operator, at its own expense, may provide any legal devices or equipment and the installation thereof, designated for the purpose of protecting the Demised Premises from theft, burglary or vandalism, provided written approval for the installation thereof is first obtained from the Director.

**14.19 Signs**

Operator shall not post signs upon Demised Premises or improvements thereon unless prior written approval thereof is obtained from the Director.

**14.20 Trade Fixtures**

Operator shall provide and install all appliances, furniture, equipment and other necessary fixtures that are utilized for the operation of the golf course. During the last thirty (30) days preceding the termination of this Agreement, Operator shall remove same from the Demised Premises, unless they are integral to the operation of the golf course. Should Operator fail to so remove said appliances, furniture, equipment and other trade fixtures within said thirty (30) day period, Operator shall lose all right, title and interest in and thereto, and County may elect to keep same upon the Demised Premises or to sell, remove or demolish same. Operator shall reimburse County for any and all costs, as determined by the Director, incurred in excess of any consideration received from the sale, removal or demolition thereof.

**14.21 Tree Trimming & Green Waste Removal**

Using funds distributed from the SAGC Capital Improvement Program Fund (CIPF) and commencing at the start of the term of the agreement,

the Operator shall trim and/or remove a minimum of two hundred fifty (250) trees by the end of the first year of the agreement. Using funds distributed from the SAGC Capital Improvement Program Fund (CIPF) and commencing at the start of the term of the agreement, the Operator shall remove all the green waste at the property by the end of the first year of the agreement. Commencing with the second year of the agreement, the Operator, at their expense, shall trim a minimum of twenty-four (24) trees per two-year interval. All trees selected and the scope of the trimming is subject to prior written approval by the Director.

**14.22 Use of Facilities: Restrictions**

Operator shall obtain Director's prior written approval of (1) any events or activities not otherwise specifically provided for and authorized herein, or (2) any events or activities requiring the exclusive use of the demised premises or any portion thereof, including, but not limited to: Exclusive-Use Golf Tournaments; and use of facilities by Special Interest Groups.

**14.23 Utilities**

The Operator shall provide and pay for all utilities needed to serve the demised premises, including telephone service. The telephone number shall be placed in the name of the Operator and shall not be transferred to any other location. Operator waives any and all claims against County for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, electrical apparatus or wires serving the demised premises. Operator shall not in any way alter or modify any of the County's utilities systems and/or equipment. The Operator has the obligation to pay all utilities associated with all meters located on the demised premises.

**14.24 Acceptable Forms of Public Remittance**

In addition to cash and checks, the Operator shall accept at least two (2) major credit cards as a form of payment made by the patrons for the services provided by the Operator.

**14.25 Cooperative Sanctuary Program**

Within six (6) months of this Operating Agreement commencement, the Operator shall join Audubon International, a 501(c)(3) non-profit organization. The Operator shall participate in the Audubon Cooperative Sanctuary Program for the Santa Anita County Golf Courses and throughout the term of the contract, the Operator shall maintain membership with Audubon International. The Santa Anita County Golf Course shall be certified within forty-eight (48) months of commencement of this Operating Agreement as a Certified Audubon Cooperative Sanctuary; the Operator shall maintain certification throughout the remainder of the term of this Operating Agreement.

**14.26 Intentionally Omitted**

**14.27 Intentionally Omitted**

**14.28 Graffiti Control**

14.28.1 Graffiti control shall include, but not be limited to, all surfaces to the following areas as noted.

Exterior

- a. All exterior wall surfaces
- b. Signs and Fountains
- c. Wooden Bridges and Structures
- d. Restrooms and Comfort Stations - all exterior wall, window and door surfaces
- e. Service Yard and Buildings
- f. Concrete and Block Walls
- g. Cart Paths and Concrete walks throughout the course.
- h. Curbs and bumpers in parking lots and on streets and drives
- i. Trash Receptacles
- j. Doors
- k. Other surfaces within the Santa Anita County Golf Course.

Interior

- a. Golf Course offices, meeting rooms, and storage rooms
  - b. Restrooms and comfort stations - all interior walls, doors, cabinets and windows.
- 14.28.2 All materials and processes used in graffiti control shall be non-injurious to surfaces and adjacent golf course property, and approved by CAL-O.S.H.A.
- 14.28.3 Appropriate surface preparation shall be made on painted walls, and paint applied shall be the exact shade of color as existing paint, unless otherwise specifically approved by the Director or his Designee.
- 14.28.4 The Operator shall use special care and attention when removing graffiti from treated or sealed surfaces. Such surfaces shall not be painted. The Operator shall use materials, and methods of application, as provided and approved by the Director or his Designee.
- 14.28.5 The Operator is not required to sandblast walls or walkways.
- 14.28.6 The Operator shall clean spills, spatters, and runs from graffiti removal operations as a part of each operation.

## **15.0 TERMS AND CONDITIONS**

### **15.1 OPERATING AGREEMENT ENFORCEMENT**

- 15.1.1 The Director shall be responsible for the enforcement of this Operating Agreement on behalf of County and shall be assisted therein by those officers and employees of County having duties in connection with the administration thereof.
- 15.1.2 Any officers and/or authorized employees of County may enter upon the Demised Premises at any and all reasonable times for the purpose of determining whether or not Operator is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of County within the Demised Premises.

- 15.1.3 In the event County commences legal proceedings for the enforcement of this Operating Agreement or recovery of the Demised Premises herein, Operator does hereby agree to pay any sum which may be awarded to the County by the Court for attorney's fees and costs incurred in the action brought thereon.

## **15.2 COMPLAINTS**

The Operator shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

- 15.2.1 Within ten (10) business days after the effective date of the Operating Agreement, Operator shall provide the Director with a policy for receiving, investigating and responding to user complaints.
- 15.2.2 The Director will review the Operator's policy and provide the Operator with approval of said plan or with requested changes.
- 15.2.3 If the Director requests changes in the Operator's policy, the Operator shall make such changes and resubmit the plan within five (5) business days for Director's approval.
- 15.2.4 If, at any time, the Operator wishes to change the Operator's policy, the Operator shall submit proposed changes to the Director for approval before implementation.
- 15.2.5 The Operator shall preliminarily investigate all complaints and notify the Director of the status of the investigation within five (5) business days of receiving the complaint.
- 15.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 15.2.7 Copies of all written responses shall be sent to the Director within three (3) business days of mailing to the complainant.

### **15.3 CANCELLATION**

- 15.3.1 Upon the occurrence of any one or more of the events of default hereinafter described in Paragraph 15.14, this Operating Agreement shall be subject to cancellation. As a condition precedent thereto, the Director shall give Operator ten (10) day notice by registered or certified mail of the date set for cancellation thereof; the grounds therefore; and that an opportunity to be heard thereon will be afforded on or before said date, if request is made therefore.
- 15.3.2 Upon cancellation, County shall have the right to take possession of the Demised Premises, including all improvements, equipment, and inventory located thereon, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this Operating Agreement.
- 15.3.3 Action by County to effectuate a cancellation and forfeiture of possession shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Operating Agreement.
- 15.3.4 In the event that, following service of the Notice of Cancellation of this Operating Agreement under the provisions of this clause, the Director, in his sole discretion, it is determined that the Operator was not in default under the provisions of this clause, that the default was excusable under provisions of this clause, or Operator has, to the satisfaction of the Director, cured any default, the Director shall issue, within five (5) business days, a rescission of the Notice of Cancellation, and the rights and obligations of the parties shall be the same as if the Notice of Cancellation had not been issued.

**15.4 COMPLIANCE WITH CIVIL RIGHTS LAW**

The Operator hereby assures that it will comply with Subchapter VII of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Operating Agreement or under any project, program, or activity supported by this Operating Agreement. The Operator shall comply with Exhibit G, Operator's EEO Certification.

**15.5 COMPLIANCE WITH COUNTY'S SMOKING BAN ORDINANCE**

This Operating Agreement is subject to the provisions of the County's ordinance entitled Los Angeles County Code Title 17, Parks, Beaches, and Other Public Places, prohibiting smoking at County Parks ("Smoking Ban Ordinance") as codified in Sections 17.04.185 through 17.04.650 of the Los Angeles County Code.

**15.6 OPERATOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT**

Operator acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Operator understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Operator's place of business. County's District Attorney will supply Operator with the poster to be used.

**15.7 OPERATOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Operator acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Operator understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Operator's place of business.



The Operator will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Operator with the poster to be used.

**15.8 OPERATOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

15.8.1 Operator acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured toll) in order to mitigate the economic burden otherwise imposed upon County and its tax payers.

15.8.2 Unless Operator qualifies for an exemption or exclusion, Operator warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Operating Agreement will maintain compliance, with Los Angeles County code Chapter 2.206.

**15.9 OPERATOR'S NON-COMPLIANCE AND LIQUIDATED DAMAGES**

15.9.1 In the event the Director determines that there are deficiencies in Operator's operations authorized and required herein, the Director will provide, as specified herein in the section of this Operating Agreement entitled Events of Default, a written notice to the Operator to correct said deficiencies within specified time frames.

15.9.2 In the event that Operator fails to correct the deficiencies within the prescribed time frames the Director may, at his option: (1) use the Security Deposit as provided for herein, (2) exercise its rights under the Sub-Section 15.27 (Right of Entry) and/or (3) assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the

Operator to comply with the obligations for Use Granted herein authorized and required. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is \$250.00 per day for each day of the period of time that the deficiencies exist, and that Operator shall be liable to County for liquidated damages in said amount.

**15.10 OPERATOR RESPONSIBILITY AND DEBARMENT**

**15.10.1 Responsible Operator**

A responsible Operator is an Operator who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Operating Agreement. It is the County's policy to conduct business only with responsible Operators.

**15.10.2 Chapter 2.202 of the County Code**

The Operator is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Operator on this or other Agreements which indicates that the Operator is not responsible, the County may, in addition to other remedies provided in this Operating Agreement, debar the Operator from bidding or proposing on, or being awarded, and/or performing work on County agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing agreements the Operator may have with the County.

**15.10.3 Non-responsible Operator**

The County may debar an Operator if the Board of Supervisors finds, in its discretion, that the Operator has done any of the following: (1) violated a term of an agreement with the County or a nonprofit corporation created by the County,

(2) committed an act or omission which negatively reflects on the Operator's quality, fitness or capacity to perform an agreement with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### **15.10.4 Contractor Hearing Board**

1. If there is evidence that the Operator may be subject to debarment, the Department will notify the Operator in writing of the evidence which is the basis for the proposed debarment and will advise the Operator of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Operator and/or the Operator's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Operator should be debarred, and, if so, the appropriate length of time of the debarment. The Operator and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of

Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If an Operator has been debarred for a period longer than five (5) years, that Operator may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Operator has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Operator has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by

the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**15.10.5 Subcontractors of Operator**

These terms shall also apply to Operator's Subcontractors.

**15.11 OPERATOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

- 15.11.1 Operator acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Operating Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

- 15.11.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Operator's duty under this Operating Agreement to comply with all applicable provisions of law, Operator warrants that it is now in compliance and shall during the term of this Operating Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings

Assignment for child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**15.12 CONFLICT OF INTEREST**

15.12.1 No County employee whose position with the County enables such employee to influence the award of this Operating Agreement or any competing Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Operator or have any other direct or indirect financial interest in this Operating Agreement. No officer or employee of the Operator who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

15.12.2 The Operator shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Operating Agreement. The Operator warrants that it is not now aware of any facts that create a conflict of interest. If the Operator hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

**15.13 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate Operator's performance under this Operating Agreement on not less than an annual basis. Such evaluation will include assessing Operator's compliance with all Agreement terms and performance standards. Operator deficiencies that County

determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Operator. If improvement does not occur consistent with the corrective action measures, County may terminate this Operating Agreement or impose other penalties as specified in this Operating Agreement.

**15.14 EVENTS OF DEFAULT**

- 15.14.1 The abandonment, vacation or discontinuance of operations on the Demised Premises for more than five (5) days consecutive days, without prior written approval thereof by the Director.
- 15.14.2 The failure of Operator to punctually pay or make the payments required herein when due, where the delinquency continues beyond ten (10) days following written notice for payment thereof.
- 15.14.3 The failure of Operator to operate in the manner required by this Operating Agreement, where such failure continues for more than ten (10) days after written notice from the Director to correct the condition.
- 15.14.4 The failure to maintain the Demised Premises and the improvements constructed thereon in the state of repair required herein, and in a clean, sanitary, safe and satisfactory condition, where such failure continues for more than ten (10) days after written notice from the Director to correct the condition.
- 15.14.5 The failure of Operator to keep, perform and observe all of the other promises, covenants, conditions and agreements set forth in this Operating Agreement, where such failure continues for more than thirty (30) days after written notice from the Director for correction thereof, provided that where

fulfillment of such obligation requires activity over a period of time and Operator shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently, said time limit may be waived in the manner and to the extent allowed by the Director.

- 15.14.6 Determination by the County, the California Fair Employment and Housing Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by Operator in violation of State and/or Federal laws thereon.
- 15.14.7 Transfer of the majority controlling interest of Operator to persons other than those who are in control at the time of the execution of this Operating Agreement without prior written approval thereof by the Director.
- 15.14.8 Failure of Operator to keep, perform and observe all other promises, covenants, conditions and agreements set forth herein.

#### **15.15 FAIR LABOR STANDARDS**

The Operator shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Operator's employees for which the County may be found jointly or solely liable.

#### **15.16 FORCE MAJEURE**

- 15.16.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Operating Agreement, if such failure arises out of fires, floods,



epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

15.16.2 Notwithstanding the foregoing, a default by a subcontractor of Operator shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Operator and such subcontractor, and without any fault or negligence of either of them. In such case, Operator shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Operator to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

15.16.3 In the event Operator's failure to perform arises out of a force majeure event, Operator agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

#### **15.17 GOVERNING LAW, JURISDICTION, and VENUE**

This Operating Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Operator agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Operating Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

**15.18 INDEPENDENT OPERATOR**

This Operating Agreement is by and between the County of Los Angeles and Operator and is not intended, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association, as between County and Operator. Operator understands and agrees that all persons furnishing services on behalf of Operator pursuant to this Operating Agreement are, for purposes of Worker's Compensation Liability, employees solely of Operator and not of County. Operator shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries arising from or connected with services on behalf of Operator pursuant to this Operating Agreement.

**15.19 INDEMNIFICATION**

The Operator shall indemnify, defend and hold harmless the County, its Special Districts, its elected and appointed officers, employees, agents, and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Operator's acts and/or omissions arising from and/or relating to this Operating Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees. Operator's duty to indemnify the County, their agents, officers, and employees shall survive the expiration or other termination of this Operating Agreement.

**15.20 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

Without limiting Operator's indemnification of County and the United States, and in the performance of this Operating Agreement and until all of its obligations pursuant to this Operating Agreement have been met, Operator shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 15.20 and 15.21 of this Operating Agreement. These minimum insurance

coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Operator pursuant to this Operating Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Operator for liabilities which may arise from or relate to this Operating Agreement.

**15.20.1 Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County, their agents, officers, and employees (defined below) has been given Insured status under the Operator's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Operating Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Operator's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Operator and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Operating Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Operator identified as the contracting party in this Operating Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding

fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Operator, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Parks and Recreation

301 North Baldwin Avenue, Arcadia, CA 91007

Attention: Chief, Contracts and Golf Division

Operator also shall promptly report to County any injury or property damage accident or incident, including any injury to an Operator employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Operator. Operator also shall promptly notify County of any third party claim or suit filed against Operator or any of its Sub-Contractors which arises from or relates to this Operating Agreement, and could result in the filing of a claim or lawsuit against Operator and/or County.

#### **15.20.2 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Operator's General Liability policy with respect to liability arising out of Operator's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Operator's acts or omissions, whether such liability is

attributable to the Operator or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**15.20.3 Cancellation of or Changes in Insurance**

Operator shall provide County with, or Operator's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

**15.20.4 Failure to Maintain Insurance**

Operator's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Operator, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Operator resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Operator,

deduct the premium cost from sums due to Operator or pursue Operator reimbursement.

**15.20.5 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

**15.20.6 Operator's Insurance Shall Be Primary**

Operator's insurance policies, with respect to any claims related to this Operating Agreement, shall be primary with respect to all other sources of coverage available to Operator. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Operator coverage.

**15.20.7 Waivers of Subrogation**

To the fullest extent permitted by law, the Operator hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Operating Agreement. The Operator shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

**15.20.8 Sub-Contractor Insurance Coverage Requirements**

Operator shall include all Sub-Contractors as insureds under Operator's own policies, or shall provide County with each Sub-Operator's separate evidence of insurance coverage. Operator shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Operator as additional insureds on the Sub-Contractor's General Liability policy. Operator shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

**15.20.9 Deductibles and Self-Insured Retentions (SIRs)**

Operator's policies shall not obligate the County to pay any portion of any Operator deductible or SIR. The County retains the right to require Operator to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Operator's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**15.20.10 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Operating Agreement. Operator understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Operating Agreement expiration, termination or cancellation.

**15.20.11 Application of Excess Liability Coverage**

Operators may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

**15.20.12 Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insured's provision with no insured versus insured exclusions or limitations.

**15.20.13 Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Operator use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive

insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

**15.20.14 County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

**15.21 INSURANCE COVERAGE REQUIREMENTS**

**15.21.1 Commercial General Liability**

Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured. Policy will be endorsed for golf course operations and will have no exclusions for sporting events, with limits of not less than:

General Aggregate:	\$4,000,000
Products/Completed Operations Aggregate:	\$1,000,000
Personal and Advertising Injury:	\$1,000,000
Each Occurrence:	\$2,000,000

**15.21.2 Automobile Liability**

Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Operator's use of autos pursuant to this Operating Agreement, including owned, leased, hired, non-owned autos, and/or mobile equipment (i.e. golf carts) as each may be applicable.

**15.21.3 Workers Compensation and Employers' Liability**

Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Operator



will provide employees, or, is an employee temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Operator's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

**15.21.4 Sexual Misconduct Liability**

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

**15.21.5 Property Coverage**

Operators given use of County owned or leased property for storage of Operator's personal property, shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Operator's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

**15.21.6 Periods of Construction**

During the period(s) of construction as required or authorized herein, and in addition to the aforementioned insurance coverage, Operator shall provide the following forms and amounts of insurance:

- a. Builder's All-Risk Insurance: including flood coverage, covering the entire work, against loss or damage until completion and acceptance by the Director. Insurance shall be in an amount for the replacement value of the improvements and endorsed for broad form property damage, breach of warranty, explosion, collapse, and underground hazards. Deductibles shall not exceed five percent (5%) of the construction cost.
- b. Professional Liability: Insurance covering liability arising from any error omission, or negligent act of the Operator, its officers, employees, contractors, or agents with a limit of not less than One Million Dollars (\$1,000,000) per claim.

**15.22 NON-DISCRIMINATION AND AFFIRMATIVE ACTION**

- 15.22.1 The Operator certifies and agrees that all persons employed by it, it's affiliates, subsidiaries or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 15.22.2 The Operator shall certify to and comply with the provisions of Exhibit G, Operator's EEO Certification.
- 15.22.3 The Operator shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include,

but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 15.22.4 The Operator certifies and agrees that it will deal with its subcontractors, bidders and vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 15.22.5 The Operator certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Operating Agreement or under any other project, program, or activity supported by this Operating Agreement.
- 15.22.6 The Operator shall allow County representatives access to the Operator's employment/volunteer records during regular business hours to verify compliance with the provisions of this Sub-Paragraph 15.22 when so requested by the County.
- 15.22.7 If the County finds that any provisions of this Sub-Paragraph 15.22 have been violated, such violation shall constitute a material breach of this Operating Agreement upon which the County may terminate or suspend this Operating Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Operating Agreement have been violated, in addition, a determination by the California Fair Employment Practices

Commission or the Federal Equal Employment Opportunity Commission that the Operator has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Operator has violated the anti-discrimination provisions of this Operating Agreement.

15.22.8 The parties agree that in the event Operator violates the non-discrimination provisions of this Operating Agreement, County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code 1671 as liquidated damages in lieu of canceling, terminating or suspending this Operating Agreement.

**15.23 NOTICE TO EMPLOYEES REGARDING FEDERAL EARNED INCOME CREDIT**

The Operator shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, Exhibit E.

**15.24 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Operator shall notify and provide to its employees, and shall require each subcontractor notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit F of this Operating Agreement and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**15.25 NOTICES**

Any notice required to be given under the terms of this Operating Agreement or any law applicable thereto may be: (1) delivered by personal service; facsimile or email or (2) placed in a sealed envelope, with postage paid, return receipt requested, addressed to the person on

whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Operator shall be **Strato Partners, 4400 MacArthur, Suite 980, Newport Beach, CA 92660, Attention: Neil Miller**. The address to be used for any notice served by mail upon County shall be **Department of Parks and Recreation, 301 North Baldwin Avenue, Arcadia CA 91007, Attention: Golf Operations**, or such other place as may hereafter be designated in writing to Operator by the Director. Service by mail; facsimile or email and shall be deemed complete upon deposit in the above mentioned manner.

## **15.26 PUBLIC RECORDS ACT**

15.26.1 Any documents submitted by Operator; all information obtained in connection with the County's right to audit and inspect Operator's documents, books, and accounting records pursuant to Paragraph 8.0 of this Operating Agreement; as well as those documents which were required to be submitted in response to the solicitation process for this Operating Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order of court of competent jurisdiction.

15.26.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a

proposal marked "trade secret", "confidential", or "proprietary", the Operator agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in any action or liability arising under the Public Records Act.

**15.27 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Operator agrees to use recycled-content paper to the maximum extent possible on this Operating Agreement.

**15.28 RIGHT OF ENTRY**

15.28.1 Any officers and/or authorized employees of the County may enter upon the Demised Premises at any and all reasonable times for the purpose of determining whether or not Operator is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the County within the Demised Premises.

15.28.2 In the event of an abandonment, vacation or discontinuance of operations for a period in excess of five (5) days, Operator hereby irrevocably appoints County as an agent for continuing operation of the use granted herein, and in connection therewith authorizes the officers and employees thereof to (1) take possession of the Demised Premises, including all improvements, equipment and inventory thereon; (2) remove any and all persons or property on said Demised Premises and place any such property in storage for the account of and at the expense of Operator; (3) sublease or sublicense the Demised Premises; and (4) after payment of all expenses of such subleasing or sublicensing, apply all payments realized there from to the satisfaction and/or mitigation of all damages arising from Operator's breach of this Operating Agreement.

Entry by the officers and employees of County upon the Demised Premises for the purpose of exercising the authority conferred hereon as agent of Operator shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Operating Agreement.

- 15.28.3 No re-entry or taking of the Demised Premises by County pursuant to Sub-Paragraph 15.28.2 of this section shall be construed as an election to terminate this Operating Agreement unless a written notice of such intention is given to Operator or unless the termination thereof is decreed by a court of competent jurisdiction.

**15.29 SEVERABILITY**

If any provision of this Operating Agreement is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

**15.30 SUBLEASES**

- 15.30.1 Operator shall not, without the prior written consent of the Director, sublease any portion of the Demised premises, or sublease any of the operation or activities authorized or required by this Operating Agreement.

- 15.30.2 In the event the County determines that the Operator has violated the sublease provision contained herein, the same shall constitute a material breach of this Operating Agreement upon which the County may, in its sole discretion, determine to cancel, terminate, or suspend this Operating Agreement, or assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Operator to comply with the sublease provision. The parties hereby agree that under the current circumstances a reasonable estimate of

such damage is One Thousand Dollars (\$1,000.00) and that the Operator shall be liable to County for liquidated damages in said amount.

**15.31 SURRENDER OF DEMISED PREMISES**

15.31.1 Upon termination, expiration of the term hereof, or cancellation thereof as herein provided, Operator shall peaceably vacate the Demised premises and any and all improvements located thereon and deliver up the same to County in a reasonably good condition, ordinary wear and tear excepted, subject to the right of County to demand removal thereof to the extent that Paragraph 3.5 hereinbefore may be applicable thereto.

15.31.2 Upon expiration of the term, Operator shall execute and deliver to County within thirty (30) days after service of written demand, a good and sufficient quitclaim deed of the Operator's interest in this Operating Agreement and the Demised premises. Should Operator fail or refuse to deliver to County a quitclaim deed as aforesaid, a written notice by County reciting the failure of the Operator to execute and deliver the quitclaim deed shall, after ten (10) days from the date of recordation of the notice, be conclusive evidence against Operator and all persons claiming under Operator, of the termination of this Operating Agreement.

**15.32 TAXES AND ASSESSMENTS**

15.32.1 The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Operator shall pay before delinquency all lawful taxes, including but not limited to possessory interest taxes, assessments, fees or charges which at any time may be levied by the State, County, City or any other tax or



assessment-levying body upon the Demised premises and any improvements located thereon.

15.32.2 Operator shall also pay all taxes, assessments, fees and charges on goods, merchandise, fixtures, appliances and equipment owned or used therein.

**15.33 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE**

Failure of Operator to maintain compliance with the requirements set for in Sub-section 15.11, Operator's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default by Operator under this Operating Agreement. Without limiting the rights and remedies available to County under any other provision of this Operating Agreement, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Supervisors may terminate this Operating Agreement pursuant to Sub-Section 15.3, Cancellation.

**15.34 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Failure of Operator to maintain compliance with the requirements set for in Paragraph 15.8, Operator's Warranty of Compliance with County's Defaulted Property Tax Reduction Program, shall constitute default under this Operating Agreement. Without limiting the rights and remedies available to County under any other provisions of this contract, failure of Operator to cure such default within 10 days of notice shall be grounds upon which County may terminate this Operating Agreement and/or pursue debarment of Operator, pursuant to County code chapter 2.206.

**15.35 TERMINATION FOR IMPROPER CONSIDERATION**

15.35.1 County may, by written notice to Operator, immediately terminate the right of Operator to proceed under this Operating Agreement if it is found that consideration, in any

form, was offered or given by Operator, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing this Operating Agreement or securing favorable treatment with respect to the award, amendment or extension of this Operating Agreement or the making of any determinations with respect to the Operator's performance pursuant to this Operating Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Operator as it could pursue in the event of default by the Operator.

15.35.2 Operator shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the Auditor-Controller's Fraud Hotline at (800) 544-6861 or to such other number as may be provided to Operator in writing by County

15.35.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

#### **15.36 TERMINATION FOR INSOLVENCY**

15.36.1 The County may terminate this Operating Agreement forthwith in the event of the occurrence of any of the following:

- Insolvency of the Operator. The Operator shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Operator is insolvent within the meaning of Federal Bankruptcy Code;

15.36.2 To the extent permitted by law, the County may terminate this Operating Agreement forthwith in the event of the occurrence of any of the following:

- The filing of a voluntary or involuntary petition regarding the Operator under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for Operator; or

15.36.3 The rights and remedies of County provided in this Sub-Section 15.36 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Operating Agreement.

**15.37 INTENTIONALLY OMITTED**

**15.38 TERMINATION UPON TRANSFER OF TITLE OR GOLF COURSE CLOSURE**

15.38.1 Notwithstanding any other provision of this Operating Agreement, in the event the County transfers its interest in the Demised Premises to a governmental agency (assignee), the County reserves the right to: terminate this Operating Agreement; or provided there is consent by an assignee, assign the County's interest in this Operating Agreement to said assignee. County shall provide the Operator with notice of termination or assignment of this Operating Agreement pursuant to this provision.

15.38.2 Notwithstanding any other provision of this Operating Agreement, in the event the County closes the Demised Premises, or a portion(s) thereof, this Operating Agreement shall be terminated upon the effective date of such closure. Upon the effective date of closure, Operator shall immediately cease its operations, and within fifteen (15) days there from remove all items of its personal property, equipment, and inventory. County shall provide advance notice to the Operator of such closure. For a closure to be effective and

this Operating Agreement terminated as described above, County shall not engage in golf related activities at the Demised Premises at any time during the originally contemplated term of this Operating Agreement following said closure, without Operator's written consent. County and Operator expressly agree that any closure prior to the fifteenth (15<sup>th</sup>) Agreement Year will only occur if County and Operator mutually consent to such Closure and in the event Operator provides consent to said closure the provisions of the immediately preceding sentence shall not apply.

**15.39 TRANSFERS**

15.39.1 Operator shall not assign its rights, delegate its duties, sublease, hypothecate, or mortgage this Operating Agreement, whether in whole or in part, with or without consideration, without the prior written consent of County. Any attempted assignment, delegation, sublease license, hypothecation, or mortgage without the consent shall be null and void, and at County's sole discretion, such assumption, assignment, delegation, or takeover of any of the Operator's duties, responsibilities, obligations, or performance of same by any entity other than the Operator, without County's express prior written approval, may result in the termination of the this Operating Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against the Operator as it could pursue in the event of a default by Operator. For purposes of this paragraph, County consent shall require a written amendment to this Operating Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Operating Agreement shall be

deductible, at County's sole discretion, against the claims which Operator may have against County.

- 15.39.2 Each and all of the provisions, agreements, terms, covenants and conditions herein contained to be performed by Operator shall be binding upon any transferee thereof.
- 15.39.3 The use granted shall not be transferable by testamentary disposition or the State laws of interstate succession, as the rights, privileges, and use conferred by this Operating Agreement shall terminate prior to the date for expiration thereof in the event of the death of Operator occurring within the term herein provided. Additionally, neither this Operating Agreement nor any interest therein shall be transferable in proceedings in attachment or execution against Operator, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Operator, or by any process of law including proceedings under Chapter X or XI of the Bankruptcy Act.
- 15.39.4 Shareholders, partners, members or other equity holders of Operator may transfer, sell, exchange, assign or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment or divestment is affected in such a way as to give majority control of Operator to any person(s), corporation, partnership or legal entity other than the majority controlling interest therein at the time of the execution of this Operating Agreement, such disposition is an assignment requiring the prior written consent of the County in accordance with applicable provisions of this Operating Agreement and the transfer fee provided in Section 15.39.6 shall be assessed. Consent to any such transfer shall be refused if the Director, in his sole discretion, finds that the transferee is lacking in experience

and/or financial ability to conduct the operation of the Santa Anita County Golf Course.

- 15.39.5 At any time prior to the end of the **fifth (5<sup>TH</sup>)** year of the term of this Operating Agreement, the Director may determine this Operating Agreement null and void in the event that any of the qualifying individuals of the leasehold entity at the time of execution of this Operating Agreement is/are no longer a partner in said entity, unless that individual is replaced by an individual who, in the Director's sole discretion, possesses the necessary qualifications and experience identified in the Request for Proposal (RFP). The Director's ability to determine this Operating Agreement null and void shall be effectuated by providing Operator with sixty (60) days written notice of such determination.
- 15.39.6 Any transfer, sale, exchange, assignment or divestment of its rights and obligations pursuant this Operating Agreement, as described in Paragraph 15.39.4 above, Operator shall pay County a transfer fee equal to the greater of: (1) \$100,000 or (2) two percent (2%) of the greater of (a) the gross sale price or (b) the fair market value of Operator's interest in the concession. The Director, in his sole discretion, may require Operator to obtain, at Operator's sole cost, an appraisal of the FMV of the Operator's interest in the concession. The Director, at his sole discretion, may have the appraisal reviewed by an independent appraiser retained by County. The Director then reserves the right to require the Operator, at Operator's sole cost, to obtain an additional appraisal by a different appraiser. Said sum shall be payable to the County of Los Angeles Department of Parks and Recreation in full either within thirty (30) days after said consent is given or prior to the close of any escrow, whichever occurs first. Prior to

Director's consent to such assignment, the assignor shall first deliver to assignee a written schedule of all sums due and owing to County from the assignor with such schedule in a form subject to the approval of the Director in all respects, and second, shall deliver to Director, as part of the acceptance of the assignment, a written acknowledgment by the assignee that the assignee (a) affirms the sums due and owing to County and (b) accepts responsibility for payment of such sums directly to County. Exempted from said transfer fee shall be the following:

- a. A transfer of an undivided interest in this Operating Agreement between affiliated entities which results in a change in method of holding title, but does not result in a change to the proportional interests held by the affiliated entities prior to the transfer;
- b. An assignment which serves as security for the repayment of a loan from any lender, but which does not entitle the assignee to an immediate right to use, occupy, possess or receive the rents or profits from this Operating Agreement for so long as the assignor makes the required periodic payments and complies with other provisions of the loan;
- c. Such other assignment for which the Director, in his sole discretion, determines that the ownership interests in this Operating Agreement have remained unchanged, such as a change in the legal or fictitious name of the Operator without any other change in the equity, in beneficial use of, or legal title to this Operating Agreement as an asset, or the income produced thereby. The Director's decision in such cases shall be appealable to the Board of Supervisors within ten (10) days after receipt of written

notice of the Director's decision. Any such appeal request shall be accompanied by a Certificate of Deposit filed with the Director in the full amount of the transfer fee; the Certificate of Deposit shall be payable to County of Los Angeles Department of Parks and Recreation, and the interest thereon shall accumulate, but the principal sum and interest shall remain the property of Operator in the event the Director's decision is reversed.

**15.40 WAIVER**

- 15.40.1 Any waiver by County of any breach of any one or more of the covenants, conditions, terms and Agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or Agreement herein contained, nor shall failure on the part of County to require exact, full and complete compliance with any of the covenants, conditions, terms or Agreements herein contained be construed as in any manner changing the terms of this Operating Agreement or stopping County from enforcing the full provisions thereof.
- 15.40.2 No delay, failure, or omission of County to re-enter the Demised Premises or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter accrued shall impair any such right, power, privilege or option, or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right.
- 15.40.3 No notice to Operator shall be required to restore or revive "time of the essence" after the waiver by County of any default.
- 15.40.4 No option, right, power, remedy or privilege of County shall be construed as being exhausted by the exercise thereof in one



or more instances. The rights, powers, options and remedies given County by this Operating Agreement shall be cumulative.

**15.41 WARRANTY AGAINST CONTINGENT FEES**

15.41.1 The Operator warrants that no person or selling agency has been employed or retained to solicit or secure this Operating Agreement upon any Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Operator for the purpose of securing business.

15.41.2 For breach of this warranty, the County shall have the right to terminate this Operating Agreement and, at its sole discretion, deduct from this Operating Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**15.42 ARTIFICIAL TRANS FAT REDUCTION PROGRAM**

15.42.1 Operator agrees that it will participate in the County's Artificial Trans Fat Reduction (ATFR) Program, which mandates that no foods containing 0.5 grams or more of artificial trans-fat per serving be stored, distributed, held for service, and/or used in the preparation of any menu item or in the Demised Premises, except for food that is being served directly to consumers in a manufacturer's original sealed package. Operator shall provide the written certification attached hereto as Exhibit I stating that it has reviewed and is familiar with the requirements of the ATFR Program and will promptly obtain approval as a participant from the County's Public Health Department. Further information can be found at [www.lapublichealth.org](http://www.lapublichealth.org).

- 15.42.2 Within 5 days of the County's execution of this Operating Agreement, Operator shall submit to the County's Public Health Department all required application materials for participation in the ATFR Program, and shall thereafter diligently pursue approval as an ATFR participant. Operator's failure to do either of the foregoing shall constitute a material breach of this Operating Agreement and shall be grounds for immediate termination by the County. County shall have the right, in its sole discretion, to extend the time limit for submission of any and all application documents.
- 15.42.3 Upon County's approval of the Operator's participation in the ATFR Program, Operator shall have the same rights and obligations as any voluntary member of the ATFR Program (e.g., use of Program decal/logo, status updating, etc.), except for the right to terminate participation and as otherwise set forth herein.
- 15.42.4 In addition to any remedies provided the County by the ATFR Program's rules, any failure by Operator to comply with the ATFR Program standards shall constitute a material breach of this Operating Agreement entitling the County to terminate this Operating Agreement in its entirety or, if the Operator provides service to multiple Demised Premises, with respect to the non-compliant facility. Prior to and/or in lieu of termination, the County may also, at its discretion, do any or all of the following:
- a. Impose liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from Operator's breach of this Section 15.42. The parties hereby agree that under the current circumstances a reasonable estimate of such

damages is \$100 per day per non-compliant facility and that Operator shall be liable to County for that amount.

- b. Require removal of all ATFR Program logo, signage and other advertising materials from the non-compliant Demised Premises and from any other location where such materials are used by the Operator, including without limitation menus, menu boards, and dining table tent cards.
- c. Require Operator to cure its non-compliance with ATFR Program standards within a period prescribed by the County, in its discretion.

**15.43 OPERATOR PERFORMANCE**

The County maintains databases that track/monitor Operator performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

**15.44 USE OF EXPANDED POLYSTYRENE (EPS) FOOD CONTAINERS**

The Operator is required to comply with the County's policy on restricting its purchase and use of EPS food containers on County-owned facilities.

**15.45 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Operator shall maintain accurate and complete financial records of its activities and operations relating to this Operating Agreement in accordance with generally accepted accounting principles. The Operator shall also maintain accurate and complete employment and other records relating to its performance of this Operating Agreement. The Operator agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Operating Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment

records, appropriate documentation for voided transactions (including approval for the void), and proprietary data and information, shall be kept and maintained by the Operator and shall be made available to the County during the term of this Operating Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Operator at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Operator shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

15.45.1 In the event that an audit of the Operator is conducted specifically regarding this Operating Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Operator or otherwise, then the Operator shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Operator's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Operating Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

15.45.2 Failure on the part of the Operator to comply with any of the provisions of this Sub-paragraph 15.45 shall constitute a material breach of this Operating Agreement upon which the County may terminate or suspend this Operating Agreement.

15.45.3 If, at any time during the term of this Operating Agreement or within five (5) years after the expiration or termination of this Operating Agreement, representatives of the County conduct an audit of the Operator regarding the work performed under this Operating Agreement, and if such audit finds that the County's dollar liability for any such work is less than the

payments made by the County to the Operator, then the difference shall be either: a) repaid by the Operator to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Operator from the County, whether under this Operating Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Operator, then the difference shall be paid to the Operator by the County by cash payment, provided that in no event shall the County's maximum obligation for this Operating Agreement exceed the funds appropriated by the County for the purpose of this Operating Agreement.

- 15.45.4 If the County notifies the Operator that the Operator did/does not, to the reasonable satisfaction of the County (1) adequately maintain the documents required under Section 15.45 of this Operating Agreement, and/or (2) did/does not have adequate internal controls, such that financial records could contain errors and/or omissions that would not be prevented and/or detected in the normal course of business, and/or (3) if the County is not able to reasonably determine whether the Operator reported and paid the correct amount due to the County under this Operating Agreement, then the County will assess penalties specified in this section upon the Operator.
- 15.45.5 The parties hereby agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Operator to meet the requirements of this section of this Operating Agreement, and that a reasonable estimate of such damages shall range from (1) 1% to 3% of the total gross receipts for the period of time that the County determines the Operator did not meet the requirements under

this section of this Operating Agreement, and/or (2) termination of this Operating Agreement, determined at the sole discretion of the County.

- 15.45.6 In the event the County hires an Independent Certified Public Accounting firm (CPA) to perform an audit of the Operator's gross receipts and/or payments to the County, and if the CPA concludes that, due to inadequate records maintained by the Operator, the CPA is unable to issue an unqualified opinion as to gross receipts for the Operator, the CPA may employ alternative methods to impute rent for the period of inadequate records and calculate rent due. The CPA (or the Count) may use the Operator's gross receipts last audited (in which an unqualified audit opinion was expressed), inflated by the Consumer Price Index for All Urban Consumers for the Los Angeles, Riverside, and Orange County areas. Interest/late fees may also be separately applied. In addition, the County may require the Operator to pay for the cost of the CPA's audit.
- 15.45.7 In the event the County and/or a CPA firm concludes that the Operator under-reported Gross Receipts to the County, and that under-reporting is equal to or greater than 5% of the current or previous year's Gross Receipts reported by the Operator, as determined at the sole discretion of the County, the Operator shall pay for the cost of the CPA's audit and/or the County's review (including County costs associated with the CPA's audit, such as monitoring the audit, etc.).
- 15.45.8 Operator shall at all times during contract period and for five (5) years after the termination/expiration of this Operating Agreement, keep, or cause to be kept, locally, to the reasonable satisfaction of the County true, accurate, and complete records for all accounting years covered by this Operating Agreement. Records will show all transactions

relative to the conduct of operations, and be supported by data of original entry. Records shall detail transactions conducted on or from the premises separate and apart from those in connection with Operator's other business operations, if any.

- 15.45.9 All sales and/or services shall be recorded by cash registers or computers which automatically issue a customer's receipt or certify the amount in a sales slip. Cash registers shall have locked in sales totals and transaction counters that constantly accumulate and cannot be reset, and issue a tape (or other equivalent security mechanism) that imprint sequential transaction numbers and sales details. Beginning and ending cash register readings shall be made a matter of daily record. Signs shall be visibly posted near all cash registers requesting the payer to ask the cashier for a receipt and, if possible, the sign should include a sample of the appropriate receipt.

**15.46 GREEN INITIATIVES**

Operator shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits. Operator shall purchase, store, and use environmentally and human friendly products that are compatible with products used by County. County shall determine and approve Operator's products prior to their use.

**15.47 TIME OFF FOR VOTING**

The Operator shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Operator and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

**15.48 COMPLIANCE WITH THE COUNTY'S SMOKING BAN ORDINANCE**

This Operating Agreement is subject to the provisions of the County's ordinance entitled Los Angeles County Code Title 17, Parks, Beaches, and Other Public Places, prohibiting smoking at County Parks ("Smoking Ban Ordinance") as codified in Sections 17.04.185 through 17.04.650 of the Los Angeles County Code, a copy of which is attached as Exhibit I and incorporated by reference into and made part of this Operating Agreement.

**15.49 COUNTY LOBBYIST ORDINANCE**

**15.49.1 Termination for Non-Adherence of County Lobbyist Ordinance**

Operator and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Operator, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code 2.160. Failure on the part of Operator or any County Lobbyist or County lobbying firm retained by Operator to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Operating Agreement upon which County may immediately terminate or suspend this Operating Agreement.

**15.49.2 Lobbyist Disclosure**

- a. Operator shall provide the name of each County Lobbyist or County Lobbying Firm in which it employs for services related to this Operating Agreement, as defined in Los Angeles County Code Section 2.160.010.
- b. During the term of this Operating Agreement, any change or hiring of, County Lobbyist or County Lobbying Firm, the name of such Individual or Firm shall be provided within five (5) business days of lessee entering into an agreement with said Individual or Firm.



**15.50 OWNERSHIP/PARENT COMPANIES**

Operator shall provide the name of all ownership entities including Corporations, Limited Liability Corporations, Partnership or legal entities of the firm executing this Operating Agreement.

**16.0 ENTIRE OPERATING AGREEMENT**

This document and the Exhibit(s) attached hereto constitute the entire Operating Agreement between County and Operator for the use granted at the Santa Anita County Golf Course for the management, operation and maintenance of a golf course facility. All other agreements, promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the Exhibit(s) attached hereto, the terms, conditions, promises and covenants relating to the management, operation and maintenance of a golf course facility and the Demised Premises to be used in the conduct thereof. The unenforceability, invalidity, or illegality of any provision of this Operating Agreement shall not render the other provisions thereof unenforceable, invalid or illegal.

**17.0 AUTHORIZATION WARRANTY**

Operator represents and warrants that the signatory to this Operating Agreement is fully authorized to obligate Operator hereunder and that all corporate acts necessary to the execution of this Operating Agreement have been accomplished.

/

/

/

/

/

**IN WITNESS WHEREOF**, Operator has executed this Operating Agreement, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Operating Agreement to be executed on its behalf by the Director of the Department of Parks and Recreation, the month, the day and year first above written.

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
John Wicker, Director  
Department of Parks and Recreation

**STRATO PARTNERS**

By  \_\_\_\_\_

**APPROVED AS TO FORM:**

MARY C. WICKHAM  
County Counsel

By  \_\_\_\_\_  
Christina A. Salseda  
Principal Deputy County Counsel

**EXHIBIT A1 – Demised Premises, Santa Anita Golf Course**



**EXHIBIT A2 – Licensed Premises, Shared Maintenance Yard**



**EXHIBIT B**

**DEPARTMENT**

**GOLF COURSE  
OPERATING MANUEL**

**(Available in Golf Operations Office)**



# EXHIBIT C



## Los Angeles County Department of Parks and Recreation GOLF COURSE GREEN FEE RATES Effective May 1, 2015



### Regulation 18 Holes

<b>Weekdays</b>	<b>29.00</b>
9 Holes	15.00
Twilight	19.00
Super Twilight	13.00
Senior Citizen	16.00 *
Junior	5.00 *
Senior Citizen (9 Holes)	10.00 *
Senior Citizen (after 12:00 pm)	12.00 *
Junior (9 Holes)	4.50 *
Shotgun per player (WD)	52.00
Shotgun per player (WE)	69.00
<b>Weekends &amp; Holidays</b>	<b>38.50</b>
9 Holes	20.00
Twilight	23.75
Super Twilight	16.75
Junior	9.00 *
Junior (9 holes)	8.50 *

### Par 3 - 18 Holes

<b>Weekdays</b>	<b>13.75</b>
9 Holes	8.25
Twilight	10.75
Super Twilight	6.75
Senior Citizen	8.25 *
Senior Citizen (9 Holes)	5.75 *
Senior Citizen (after 12:00 pm)	5.50 *
Junior	2.75 *
Junior (9 Holes)	2.25 *
<b>Weekends &amp; Holidays</b>	<b>17.00</b>
9 Holes	9.25
Twilight	12.00
Super Twilight	8.00
Junior	4.00 *
Junior (9 holes)	3.50 *

### Par 3 - 9 Holes

<b>Weekdays</b>	<b>6.75</b>
Senior Citizen	4.75 *
Junior	1.75 *
<b>Weekends &amp; Holidays</b>	<b>9.00</b>
Junior	2.25 *

### Regulation 9 Holes

<b>Weekdays</b>	<b>17.25</b>
Twilight	12.75
Senior Citizen	11.25 *
Senior Citizen (after 12:00 pm)	8.25 *
Super Twilight	7.50
Junior	3.75 *
<b>Weekends &amp; Holidays</b>	<b>21.00</b>
Twilight	15.25
Super Twilight	9.50
Junior	5.00 *
<b>Replay</b>	
<b>Weekdays</b>	<b>9.25</b>
Senior Citizen	2.75 *
Junior	1.00 *
<b>Weekends &amp; Holidays</b>	<b>11.75</b>
Junior	2.00

### Executive

<b>Weekdays</b>	<b>24.00</b>
9 Holes	12.00
Twilight	16.00
Super Twilight	11.50
Senior Citizen	13.00 *
Junior	4.25 *
Senior Citizen (9 Holes)	8.75 *
Senior Citizen (after 12:00 pm)	9.50 *
Junior (9 Holes)	3.75 *
Shotgun per player (WD)	45.00
Shotgun per player (WE)	60.00
<b>Weekends &amp; Holidays</b>	<b>31.50</b>
9 Holes	15.00
Twilight	18.00
Super Twilight	11.75
Junior	7.00 *
Junior (9 holes)	6.50 *



\* Certain time restrictions apply when playing on reservations, call Golf Course for details

### Tournament Registration Fees

<b>Regulation 18 Hole</b>	<b>\$8.50 per player - weekend</b>	<b>\$3.00 per player - weekday</b>
9 Holes	\$4.25 per player - weekend	\$1.50 per player - weekday
<b>Regulation 9 Hole</b>		
Altadena, Eaton Canyon & Whittier Narrows (MTN)	\$1.00 per player - weekend	\$0.00 per player - weekday
18 Holes	\$2.00 per player - weekend	\$0.00 per player - weekday
Executive (El Cariso)	\$5.00 per player - weekend	\$3.00 per player - weekday
3 Par, 18 Hole (Alondra)	\$4.25 per player - weekend	\$2.00 per player - weekday

Exclusive Use Tournaments (conducted only on weekdays, and solely for charitable groups): \$10,000 per day

League Fees: Current Twilight rate plus \$1.00 per person (excluding Weekends and Holidays)

Senior Citizen Discount Cards: 28.00 Available annually for persons 65 or older

Holidays: New Year's Day; Martin Luther King Jr. Day; Presidents' Day; Memorial Day; Independence Day

Labor Day; Veterans Day; Thanksgiving Day; the day after Thanksgiving Day; Christmas Day

Note: If the Holiday falls on a Saturday, the observed date shall be the preceding Friday

If the Holiday falls on a Sunday, the observed date shall be the following Monday.

Rates Effective For	Twilight	Super Twilight	
Standard Time	12:30 PM	2:30 PM	1st Sunday in November to December 31
Standard Time	1:00 PM	3:00 PM	January 1 to Second Saturday in March
Daylight Savings	3:00 PM	4:30 PM	Second Sunday in March to August 31
Daylight Savings	2:00 PM	4:00 PM	September 1 to First Saturday in November

## **EXHIBIT D**

### **GENERAL MAINTENANCE SPECIFICATIONS**



**LOS ANGELES COUNTY**  
**DEPARTMENT OF PARKS AND RECREATION**  
**GOLF OPERATIONS**  
**Daily Golf Course Maintenance Schedule**

The following standards are developed to meet the high expectations of the users of the Los Angeles County Golf System. The emphasis is on creating consistency and value in the form of a well maintained and well-groomed golf course at all times.

The prescribed maintenance standards are endorsed and practiced by the Golf Course Superintendents Association of America and the United States Golf Association (GCSAA and USGA). Maintenance standards may be adjusted as needed, at the discretion of the Director, due to, but not limited to, weather conditions, water quality, soil quality and turf conditions.

**Maintenance Standards**

**1. Greens Maintenance**

- Soils analysis of greens complex soils must be performed once every two (2) years. The initial test shall be performed within 30 days of commencement of the lease with test results submitted to the Golf Operations within 45 days of commencement of the lease. Soils analysis must be performed by an industry recognized soils testing laboratory. Lessee shall implement and complete program to apply prescribed soil additives/fertilizers as recommended by such test in order provide for uniform growth and color of turf.
- Exclusive of soils analysis program, fertilize greens at a frequency and rate that will promote healthy turf propagation.
- Maintain greens to achieve a minimum 8.5 Stimp Meter reading at all times.
- Mow greens daily with a reel-type mower designed specifically for mowing golf greens and of the type, make and model accepted by the golf industry.
- Verticut all greens to prevent mat and thatch build-up and to maintain smooth putting surfaces.
- Aerify greens at a minimum of three (3) times per year or more frequently if needed and remove plugs the same day. Top dress the greens as needed to maintain proper drainage and to maintain smooth putting surfaces.
- Lightly top dress two (2) times per month to control thatch, improve drainage, increase rooting medium and promote smooth putting surfaces.
- Treat greens with proper chemicals to prevent and or control invasive grasses, broadleaf weeds, insects, disease and other pests.



- Edge greens perimeters two (2) times per month, March through October and one (1) time per month, November through February.
- Damaged turf on the greens due to, but not limited to: vandalism, disease, operator error and malfunctioning equipment, must be resodded immediately.
- Change cups and repair ball marks daily.
- Replace golf flags (red, white and blue system), with approved County logo, three (3) times per year. Golf poles must be replaced a minimum of one (1) time per year.

## **2. Greens Aprons**

- The greens aprons shall be a minimum of three feet (3') in width and mowed with a reel type mower at a height of one-half inch (1/2") or less a minimum of (3) three times weekly April through October and two (2) times weekly November through March.
- Verticut all aprons in the fall prior to the winter overseeding and topdressing program. Verticut aprons as needed for thatch removal for the remainder of the year.
- Overseed aprons and approach areas in October for winter season growth and as often as necessary throughout the remainder of the year in order to ensure optimum quality turf conditions and playability.
- Aerify aprons a minimum of three (3) times per year, and top-dress.
- Repair worn and damaged turf areas as they occur by overseeding or resodding to ensure playable aprons at all times.
- Treat aprons and greens surrounds with proper chemicals to prevent and or control invasive grasses, broadleaf weeds, insects, disease and other pests.

## **3. Nursery Green**

- Each golf course must maintain a greens turf nursery. The minimum size of the turf nursery shall be:
  - \* 9 Hole Facility-----5,000 s. f.
  - \* 18 Hole Facility-----10,000 s. f.
  - \* 27 Hole Facility-----12,500 s. f
  - \* 36 Hole Facility-----15,000 s. f
- The maintenance standards are herein contained in the "Greens Maintenance" standards listed above. Additionally, sod removed from the nursery green must be backfilled and seeded immediately.

## **4. Tee Maintenance**

- Soils analysis of tee complex soils must be performed once every two (2) years. The initial test shall be performed within 30 days of commencement of the lease with test results submitted to the Golf Operations within 45 days of

commencement of the lease. Soils analysis must be performed by an industry recognized soils testing laboratory. Lessee shall implement and complete program to apply prescribed soil additives/fertilizers as recommended by such test in order provide for uniform growth and color of turf.

- Exclusive of soils analysis program, fertilize tees at a frequency and rate that will promote healthy turf propagation.
- Mow tee decks a minimum of three (3) times weekly April through October and two (2) times weekly November through March. Decks must be mowed with a reel type mower and at a height of seven sixteenths of an inch (7/16") or less.
- Mow decks to maintain their original shape and design.
- Verticut all tee decks in the fall prior to the winter overseeding and topdressing program. Verticut tee decks as needed for thatch removal for the remainder of the year.
- Overseed tees in October for winter season growth and as often as necessary throughout the remainder of the year to ensure optimum quality turf conditions and playability.
- Aerify tee decks a minimum of three (3) times per year, and topdress.
- Repair worn and damaged turf areas as they occur by overseeding or resodding to provide for level playing surfaces and uniform turf coverage at all times.
- Fill-in divots with sand and seed mixture on all Par-3 holes four (4) times per week to provide for level playing surfaces and uniform turf coverage at all times.
- Service tee complex daily by moving tee markers, benches, ball washers, sand and seed buckets and remove all litter.
- Inspect ball washers daily to ensure that they are filled with the appropriate cleaning solution and that each washer has a towel that is clean and in good condition.
- Each tee complex must have a minimum of one (1) bench with back support and one (1) ball washer.
- Empty trash receptacles daily.
- Treat tee complexes with proper chemicals to prevent and or control invasive grasses, broadleaf weeds, insects, disease and other pests.

#### **5. Tee Complex Accessories**

- Tee signs (including support post) must be clean, legible, upright and straight at all times.
- Daily tee markers must be repainted or replaced a minimum of two (2) times per year. Damaged tee markers must be replaced immediately.
- Permanent tee markers must be repainted a minimum of two (2) times per year. Damaged permanent markers must be replaced immediately.

- Ball washers (including stem and base) must be repainted a minimum of one (1) time per year. Ball washers must be maintained and in good repair at all times, including but not limited to handles and cleaning brushes. Damaged washers and or parts must be replaced immediately.
- Trash receptacles must be maintained in good repair at all times. Damaged receptacles must be replaced immediately. All on course receptacles must be uniform in size and color.
- Tee benches, with back support must be maintained in good repair at all times. Damaged benches must be replaced immediately.
- Sand buckets, with sand and seed mixture, must be in good repair and be provided on all par-3 tee boxes. Damaged sand buckets must be replaced immediately.

**With the exception of the sand buckets on the par 3 tee boxes, all items listed above (Tee Complex Accessories) must be provided on all of the tee complexes.**

#### **6. Fairway Maintenance**

- Soils analysis of fairway soils must be performed once every two (2) years. The initial test shall be performed within 30 days of commencement of the lease with test results submitted to the Golf Operations within 45 days of commencement of the lease. Soils analysis must be performed by an industry recognized soils testing laboratory. Lessee shall implement and complete program to apply prescribed soil additives/fertilizers as recommended by such test in order provide for uniform growth and color of turf.
- Exclusive of soils analysis program, fertilize fairways at a frequency and rate that will promote healthy turf propagation.
- Mow fairways a minimum of three (3) times weekly April through October and two (2) times weekly November through March. Fairways must be mowed with a hydraulic reel type mower and at a maximum height of one-half (1/2) of an inch.
- Verticut fairways a minimum of one (1) time annually.
- Aerify fairways a minimum of three (3) times per year.
- Repair worn and damaged turf areas as they occur by overseeding or resodding to ensure uniform turf coverage at all times.
- Treat fairways with proper chemicals to prevent and or to control invasive grasses, broadleaf weeds, insects, disease and other pests.
- Ground level yardage markers, using red (100 yards), white (150 yards) & blue (200 yards) and black (par 5's, 250 yards) or yardage posts must be located on all non-par 3 golf holes. All yardage markers must be painted a minimum of two (2) times per year. Damaged markers must be replaced immediately.

#### **7. Roughs Maintenance**

- All of the above mentioned fairway maintenance practices apply to the roughs with the exception of the mowing requirements, which are as follows:
- Roughs must be mowed, with a reel or rotary type mower, at a maximum height of one and one-quarter inches (1 1/4"). The roughs are not to exceed a growing height of two inches (2).

#### **8. Bunker Maintenance**

- Bunkers must be raked daily, using mechanical or hand method.
- All bunkers must have a minimum of one rake for every thirty (30) linear feet.
- Minimum sand depth shall be four (4") inches.
- Sand shall be void of any foreign material and contamination, including but not limited to; weed growth, gravel or crushed rock. The quality and type of sand used is subject to the approval of the Director.
- Overseed collars of the bunkers in October for winter season growth and as often as necessary throughout the remainder of the year in order to ensure optimum quality turf conditions and playability.
- Bunkers must be edged a minimum of two (2) times per month.
- Where a pre-existing bunker drain exists, drain must be kept clean and functioning at all times.

#### **9. Cart Path Maintenance**

- Paths must be edged and cleared of debris a minimum of two (2) times per month.
- Pot holes and ruts on and adjacent to paths must be repaired immediately.
- Barren, eroded areas due to high density traffic must be re-sodded one (1) time per year.
- Areas with poor drainage or water accumulation must be corrected through, but not limited to, "V" drains or sumps.

#### **10. Driving Range Maintenance**

- Natural turf tee lines must be moved daily to prevent excessive wear and tear. Damaged turf must be overseeded and topdressed one (1) time per week.
- Artificial hitting stations/mats must be used in the event that there is insufficient natural turf coverage.
- Landing areas must be mowed a minimum of two (2) times weekly April through October and one (1) time monthly November through March. Landing areas must be mowed with a hydraulic reel type mower and at a maximum height of one-half of an inch (1/2") or less.
- All target greens must be verticut in the fall prior to the winter overseeding and topdressing program.

- Overseed target greens in October for winter season growth and as often as necessary throughout the remainder of the year in order to ensure optimum aesthetics.
- Yardage posts, flags or signs must be re-painted or replaced a minimum of two (2) times per year.
- Damage to netting and fencing must be repaired as needed.
- Worn or torn artificial mats must be replaced immediately.
- All artificial mats must be uniform in size and color, supplied with a rubber tee.
- Range balls must be uniform in brand, clean and playable at all times. Due to variances in usage levels and landing area conditions, the Director may order at any time a replenishment of the range ball inventory.

#### **11. Tree Maintenance**

- Trees on the golf course must provide for seven (7) feet of ground clearance at all times.
- Trees on the golf course that overhang adjoining public roadways must provide for fourteen (14) feet of ground clearance at all times.
- Overgrown trees that are the cause of thin turf conditions due to excessive shade must be trimmed/pruned within sixty (60) days from the date of written notification.
- Trees that present a safety hazard to players, staff or equipment must be trimmed immediately.
- Stumps must be removed or grinded to twelve (12) inches below grade.
- Trees must be pruned/trimmed using accepted industry practices so as to preserve the health and growth of the tree.
- Dead or diseased trees must be removed within sixty (60) days from the date of written notification. All removed trees shall be replaced at the Director's sole discretion.

#### **12. Irrigation System Maintenance**

- Irrigation system and booster pumps, where applicable must be maintained at manufacturers recommended service levels at all times.
- Lessee will regulate quantity of water application with consideration being given to soil texture, structure, retention capacity, compaction, run-off, percolation, temperature, wind conditions, variety of turf and root structure.
- Controllers must be inspected on a daily basis and adjusted as necessary.
- Leaking heads must be repaired within twenty-four (24) hours of discovery.
- Adjust heads as necessary to ensure full coverage.

- All obstructions to the throw spray of a head must be removed immediately.

**13. Clubhouse Grounds**

- Parking lots and sidewalks are inspected for litter daily and swept or blown three times a week, prior to guests' arrival or at night after closing.
- Lawns will be mowed and edged a minimum of one (1) time weekly.
- Landscape materials and perennials will be planted in properly amended soil and support sun or shade as the areas present themselves



**LOS ANGELES COUNTY**  
**DEPARTMENT OF PARKS AND RECREATION**  
**GOLF OPERATIONS**  
Short and Long Term Maintenance Schedule

The following standards are developed to meet the high expectations of the users of the Los Angeles County Golf System. The emphasis is on creating consistency and value in the form of a well maintained and well-groomed golf course at all times.

Maintenance standards may be adjusted as needed, at the discretion of the Director, due to, but not limited to, weather conditions, water quality, soil quality and turf conditions.

**Maintenance Standards**

**1. Green Complexes**

- One (1) time every ten (10) years, as needed, through a re-sod project, the greens will be restored to their original size.
- New drainage system shall be installed as needed at the discretion of the Director.

*\*The above maintenance standards apply to all course greens, practice putting greens and turf nursery.*

**2. Tee Complex**

- One (1) time every ten (10) years, as needed, all par-3 tee decks shall be stripped, laser leveled, drainage system installed, returned to their original size/shape and re-sodded. The refurbishment project shall include soil and soil amendments as required, subject to the approval of the Director.
- One (1) time every fifteen (15) years, as needed, all other tee decks shall be stripped, laser leveled, drainage system installed, returned to their original size/shape and re-sodded. The refurbishment project shall include soil and soil amendments as required, subject to the approval of the Director.

**3. Tee Complex Accessories**

- Tee signs (including support posts) must be replaced one (1) time every ten (10) years, as needed. The signs will be subject to the approval of the Director.

**4. Bunkers**

- One (1) time every ten (10) years, as needed, the slopes, face walls, lips of the bunkers will be restored to their original height.

**5. Cart Paths**

- Cart path damage, as deemed by the Director, must be cut and re-poured within ninety (90) days of written notification.

**6. Driving Range**

- Nylon netting has a minimum seven (7) year life expectancy. Failure to perform daily routine maintenance (mending) will disqualify a needed replacement from Capital Improvement Trust funding if such replacement is needed in less than seven (7) years.
- Concrete tee line pad damage, as deemed by the Director, must be cut and re-poured within ninety (90) days of written notification.
- One (1) time every ten (10) years, as needed, all natural turf tee line decks shall be stripped, laser leveled, drainage system installed, returned to their original size/shape and re-sodded. The refurbishment project shall include soil and soil amendments as required, subject to the approval of the Director.

**7. Trees**

- All trees throughout the facility (golf course and surrounds) shall be trimmed and shaped in accordance with the lease agreement.



## **SPECIFIC MAINTENANCE CONDITIONS**

### **SANTA ANITA GOLF COURSE**

#### **1. Location**

**405 South Santa Anita Avenue, Arcadia, California 91006**

#### **2. Facilities**

**18 hole, 6,262 yards, par 70, rated 68.9**

**Snack bar, food preparation and eating areas**

**Pro shop, cart storage building**

**Locker rooms, restrooms, ladies lounge**

**Starter's office building**

**Practice Putting Green**

**Regular driving range and night lighted range**

**Field restrooms (2) and shade structures located on the course**

**Maintenance building and service yard (shared with Arcadia County Park)**

**147 acres**

**Undulating terrain with large trees.**

#### **3. Maintenance**

**3.01 The area to be maintained shall include the 18-hole regulation golf course, the driving range, golf course maintenance yard areas, miscellaneous structures and landscaped areas, within the Santa Anita County Golf Course boundaries as shown on Exhibit A including plates 1 and 2, and in accordance with the specifications heretofore provided in Exhibit C.**

3.02 It shall be the Lessee's responsibility to maintain and or repair all buildings, structures and paved areas within the golf course property including but not limited to the food service facility, pro shop, cart storage building, starter office, restrooms, bridges and accessory structures, areas, sidewalks, fences and drainage structures, and designated parking areas.

3.03 Bridges

Lessee shall maintain any bridges, approaches and accessory structures within the golf course in a safe and stable condition at all times. Lessee shall not be responsible for the maintenance of the structural integrity of the bridges spanning the flood control channel, but shall maintain the fencing and surface paving thereon.

3.04 Drainage

Lessee shall maintain and keep in good repair all drainage swales and structures that traverse the golf course. All surface drains and swales shall be kept clear of debris so that water will have unimpeded passage to their outlets. All inlets to sub-drains shall be kept clear of leaves, paper and other debris to insure unimpeded passage of water.

3.05 Parkway Maintenance

Lessee shall maintain all parkway areas and trees thereon between the golf course fencelines, as shown on Exhibit A, and the curb line along Santa Anita Avenue and Campus Drive.

3.06 Fence Lines

Lessee shall maintain, replace, and repair the fencelines within and around the golf course including but not limited to, those fences designed to control the flight of the golf balls, those fences separating the demised premises from Arcadia County Park and those fences bordering the flood control channel.



Department of the Treasury  
Internal Revenue Service

**EXHIBIT E**

**Notice 1015**

(Rev. December 2015)

**Have You Told Your Employees About the  
Earned Income Credit (EIC)?**

---

**What is the EIC?**

The EIC is a refundable tax credit for certain workers.

**Which Employees Must I Notify About the EIC?**

You must notify each employee who worked for you at any time during the year and from whose wages you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

**Note:** You are encouraged to notify each employee whose wages for 2015 are less than \$53,267 that he or she may be eligible for the EIC.

**How and When Must I Notify My Employees?**

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you give an employee a Form W-2 on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If you give an employee a substitute Form W-2, but it does not have the required information, you must notify

the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 8, 2016.

You must hand the notice directly to the employee or send it by first-class mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can download copies of the notice at [www.irs.gov/formspubs](http://www.irs.gov/formspubs). Or you can go to [www.irs.gov/orderforms](http://www.irs.gov/orderforms) to order it.

**How Will My Employees Know If They Can  
Claim the EIC?**

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

**How Do My Employees Claim the EIC?**

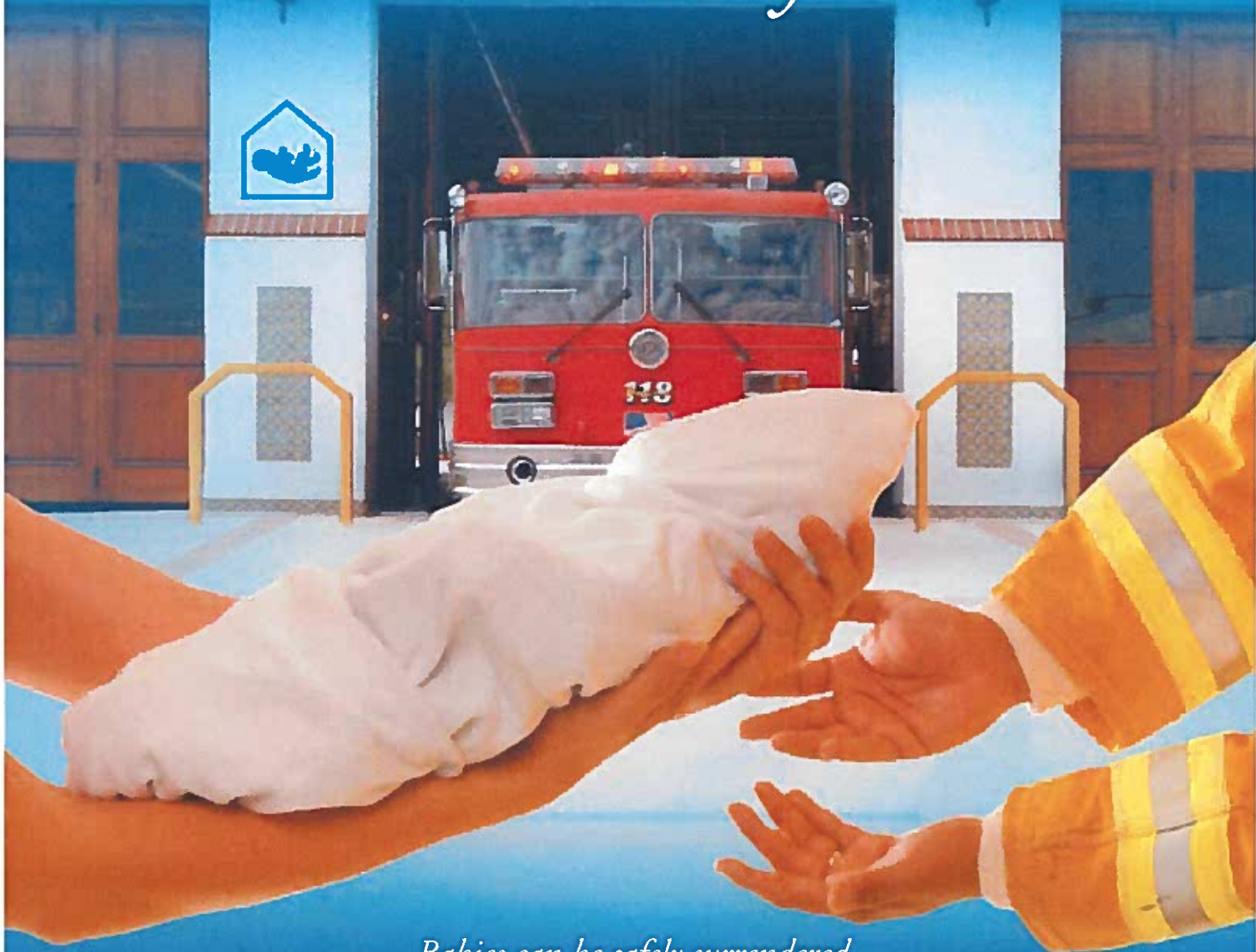
An eligible employee claims the EIC on his or her 2015 tax return. Even an employee who has no tax withheld from wages and owes no tax may claim the EIC and ask for a refund, but he or she must file a tax return to do so. For example, if an employee has no tax withheld in 2015 and owes no tax but is eligible for a credit of \$800, he or she must file a 2015 tax return to get the \$800 refund.

---

Notice **1015** (Rev. 12-2015)

Cat. No. 205991

# *Safely* Surrendered *Baby Law*



*Babies can be safely surrendered  
to staff at any hospital or fire station in Los Angeles County*

**No shame. No blame. No names.**

**In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723**

[www.babysafela.org](http://www.babysafela.org)





# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

*Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.*

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

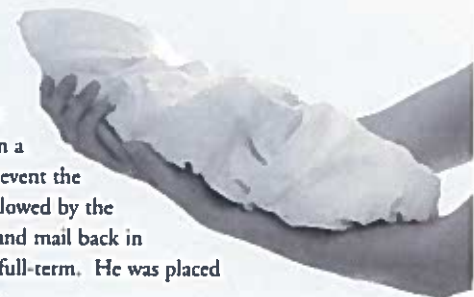
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

**Sin pena. Sin culpa. Sin nombres.**

**En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723**

[www.babysafela.org](http://www.babysafela.org)





# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.







**Title 2 ADMINISTRATION  
Chapter 2.206  
DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

- 2.206.010 Findings and declarations.**
- 2.206.020 Definitions.**
- 2.206.030 Applicability.**
- 2.206.040 Required solicitation and contract language.**
- 2.206.050 Administration and compliance certification.**
- 2.206.060 Exclusions/Exemptions.**
- 2.206.070 Enforcement and remedies.**
- 2.206.080 Severability.**

**2.206.010 Findings and declarations.**

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

**2.206.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

**Title 2 ADMINISTRATION  
Chapter 2.206  
DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

**2.206.030 Applicability.**

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

**2.206.040 Required solicitation and contract language.**

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

**2.206.050 Administration and compliance certification.**

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

**2.206.060 Exclusions/Exemptions.**

- A. This chapter shall not apply to the following contracts:
  - 1. Chief Executive Office delegated authority agreements under \$50,000;

**Title 2 ADMINISTRATION  
Chapter 2.206  
DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
  3. A purchase made through a state or federal contract;
  4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
  5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
  6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
  7. Program agreements that utilize Board of Supervisors' discretionary funds;
  8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
  9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
  10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
  11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
  12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
  13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
  14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

**Title 2 ADMINISTRATION  
Chapter 2.206  
DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

**2.206.070 Enforcement and remedies.**

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
  - 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
  - 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
  - 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

**2.206.080 Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)



## EXHIBIT I

### CERTIFICATION OF COMPLIANCE WITH ARTIFICIAL TRANS FAT REDUCTION PROGRAM

The Proposer certifies that:

- (1) It is familiar with the requirements for participation in the County's Artificial Trans Fat Reduction (ATFR) Program and will obtain the County's approval as a participant in the ATFR Program.
- (2) Within five days of County's execution of the Contract, it will submit to the County's Public Health Department all required application materials for participation in the ATFR Program, and thereafter diligently pursue approval as an ATFR participant.

Proposer name: STRATO PARTNERS LLC

BY:   
Signature

NEIL M. MILLER  
Name

CHIEF EXECUTIVE OFFICER  
Title

## **EXHIBIT J**

### **ORDINANCE NO. 2009-0044**

An ordinance amending Title – 17 Parks, Beaches and Other Public Places, to prohibit smoking in parks.

The Board of Supervisors of the County of Los Angeles ordains as follows.

**SECTION 1.** Section 17.04.035 is hereby added to read as follows:

**17.04.035 Contract-operated facilities.**

"Contract-operated facilities" means parks, which are operated, controlled, or maintained, in whole or in part, pursuant to an agreement with a lessee, concessionaire, operator, contractor, or vendor, for the purpose of providing recreational services to the public.

**SECTION 2.** Section 17.04.185 is hereby added to read as follows:

**17.04.185 Smoking.**

"Smoke" or "smoking" shall have the meaning as set forth in Section 11.64.020(13) of this code.

**SECTION 3.** Section 17.04.645 is hereby added to read as follows:

**17.04.645 Smoking Prohibited,**

Smoking shall be prohibited at all parks, except:

1. Smoking shall be permitted by actors who are acting during a permitted production or by models during a permitted photography session, unless otherwise determined by the Director, in consultation with the applicable Fire Official: and

2 Smoking shall be permitted within contract-operated facilities, in designated areas, at the discretion of the Director, in consultation with the operators of said facilities.

[1704035CSCC]

## **EXHIBIT A-3**

### **LICENSE AGREEMENT WITHIN THE SANTA ANITA COUNTY GOLF COURSE FOR THE SHARED MAINTENANCE STORAGE YARD**

**THIS LICENSE AGREEMENT**, made and entered into this day of \_\_\_\_\_, 2016,

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**, a  
body corporate and politic,  
hereinafter referred to as  
"County",

**AND**

**STRATO PARTNERS, LLC**,  
the Operator of the Santa Anita  
County Golf Course hereinafter  
referred to as "Operator",

#### **RECITALS:**

**WHEREAS**, County and Operator entered into a Operating Agreement dated, \_\_\_\_\_ (Operating Agreement) as authorized and pursuant to Government Code Section 25907, whereby Operator agreed to manage, operate and maintain the Santa Anita County Golf Course (Golf Course) .

**WHEREAS**, this License Agreement is Exhibit A-3 to said Operating Agreement;

**WHEREAS**, the parties acknowledge that Operator is licensed to use the buildings, structures and improvements located on the Licensed Premises and that County will continue to use a building and related improvements that are located on land adjacent to the Licensed Premises and outside of the Licensed Premises (County Premises), as illustrated on Exhibit A; and

**WHEREAS**, County and the Operator, agree to enter into a License Agreement for the mutual use of and access to the Storage Yard, in accordance with the terms and conditions prescribed herein; and

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them do agree as follows:

## EXHIBIT A-3

### 1.0 DEFINITIONS

- 1.1 The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.
- 1.2 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:
  - 1.2.1 **Board of Supervisors:** The Board of Supervisors of the County of Los Angeles acting as governing body or their designee.
  - 1.2.2 **County:** the County of Los Angeles.
  - 1.2.3 **Department:** The Los Angeles County Department of Parks and Recreation or an authorized representative thereof.
  - 1.2.4 **Director:** the Director of the County of Los Angeles Department of Parks and Recreation and/or his designee and/or an authorized representative thereof.
  - 1.2.5 **Trade Fixture/s:** is installed by a tenant under the terms of a Operating Agreement and is used in the business of the tenant. Trade fixtures are removable by the tenant before the Operating Agreement expires, however, the tenant is liable for any damages caused by such removal. They are distinguished from other fixtures which are considered improvements to real property and which must be left intact when the tenant vacates the premises. In the U.S., a sale of land generally includes any permanent fixtures, unless an item is expressly excluded. Trade fixtures are an exception to this general rule.
  - 1.2.6 **Structure/s:** is defined as: anything constructed or erected with a fixed location on the ground. Among other things, structures include buildings, mobile homes ('manufactured homes'), walls, fences, billboards, and poster panels.

### 2. LICENSED PREMISES

- 2.1 County hereby licenses Operator's use and occupancy of the Licensed Premises (as shown as the cross-hatched are on Exhibit A) for its



## EXHIBIT A-3

authorized operations herein. Operator understands and agrees that the use of said Licensed Premises is by license and not lease; confers only permission to occupy and use said areas described for golf course maintenance purposes in accordance with the terms and conditions hereinafter specified without granting or reserving to Operator any interest or estate therein; the expenditures of capital and/or labor in the course of use and occupancy thereunder shall not confer any interest or estate in the Licensed Premises by virtue of said use, occupancy and/or expenditure of money thereon; and it is the intention of the parties to limit the right of use granted herein for the golf course maintenance purposes required herein.

- 2.2 Operator acknowledges personal inspection of the Licensed Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the operation of the Golf Course. Operator accepts the Licensed Premises in its present condition and agrees to make no demands upon County for any improvements or alteration thereof, except as otherwise set forth in this License Agreement hereinafter.
- 2.3 Any improvements, additions, alterations or changes to the Licensed Premises shall be subject to: prior written approval by the Director; securing of applicable permits by Operator; and compliance with such terms and conditions as may be imposed thereon by the Director. All such construction shall be at the Operator's expense with the exception of projects agreed to by Director to be funded from the Capital Improvement Trust Fund.
- 2.4 Operator hereby acknowledges the title of County, and/or any other public agencies having jurisdiction thereover, in and to the Licensed Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.
- 2.5 Ownership of all structures, building or improvements constructed by Operator upon the Licensed Premises and all alterations, additions or

## EXHIBIT A-3

betterments thereto, shall remain with the Operator until termination of this License Agreement. Upon termination thereof, whether by expiration of the term, cancellation, forfeiture or otherwise ownership thereto shall vest in County, without compensation being paid therefor, and such structures, buildings and improvements shall be surrendered with the Licensed Premises, unless demand for the removal thereof shall be given by the Director at least ninety (90) days prior to the date of termination. Should Operator fail to remove said structures, buildings and improvements, same may be sold, removed or demolished by Director or expense in connection therewith in excess of any consideration received by County as a result of said sale, removal or demolition.

### **3. TERM**

The term of this License Agreement shall be concurrent with the Operating Agreement. Except as set forth herein or in the Operating Agreement, this License Agreement shall not be cancelled or terminated by the County.

### **4. DESTRUCTION OF THE LICENSED PREMISES**

4.1 In the event the Licensed Premises shall be totally or partially destroyed by a risk covered by the insurance coverage required herein, County shall restore the Licensed Premises with proceeds from the applicable insurance. If the destruction is from a risk for which coverage is not required or provided under said policy of insurance, County shall either restore the Licensed Premises or terminate this License Agreement. County shall make the loss adjustment with the insurance company insuring the loss and receive payment of the proceeds of insurance. Said insurance proceeds, if any, shall be held for the benefit of Operator and shall be disbursed in installments as construction progresses for payment of the costs of restoration upon satisfactory performance of the work required, as evidenced by certification of completion by the Director and release of mechanic's liens by all persons furnishing labor and materials thereon. If the proceeds of insurance are insufficient to pay the actual

### EXHIBIT A-3

costs of restoration, County shall fund the deficiency and said sums shall be held for payment of said costs and disbursed in the manner heretofore provided. Any undistributed funds shall be retained by County and credited to the rental reserved over the remaining term of this License Agreement. In the event Operator elects to restore the Licensed Premises, plans, specifications, and construction cost estimates for the restoration thereof shall be prepared by Operator and forwarded to Director for approval prior to the performance of any work thereon. Said documents shall be prepared and submitted in a timely manner following adjustments of the loss and receipt of the proceeds of insurance by County. The required construction shall be performed by Operator and/or licensed and bondable contractor(s) thereof who shall be required to carry comprehensive liability and property damage insurance, workers' compensation insurance, and standard fire, and extended coverage insurance, with vandalism and malicious mischief endorsements, during the period of construction, in amounts equal to the insurance limits required herein, or as otherwise determined by the County. Said construction shall be commenced promptly following the approval thereof by the Director, issuance of permits therefore by governmental agencies having jurisdiction there over, and posting of the construction site by County with notice of non-responsibility, and shall be diligently prosecuted to completion. All work shall be performed in accordance with the approved plans and specifications, unless changes therein are approved in advance thereof by Director. Operator agrees that County may have on the site at any time during the construction period an inspector who shall have the right of access to the Licensed Premises and the work occurring thereon. Operator, at the commencement of the construction work, shall notify Director in writing of the identity, place of business, and telephone number of responsible person(s) in charge of the construction to be occurring thereon. All construction shall be performed in a good and

## EXHIBIT A-3

workmanlike manner. Upon completion of the restoration, Operator shall immediately record a notice of completion with the Registrar-Recorder.

- 4.2 Operator shall cooperate in the restoration of the Licensed Premises by temporarily relocating therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required for the restoration thereof.
- 4.3 The aforesaid provisions for abatement and/or other relief shall also be applicable to a total or partial destruction of the Licensed Premises by the aforementioned causes, except that the relief to be provided shall be based upon the extent the Director may determine that the reduction in the public's use of said park due to the partial or total closure thereof has affected the License Agreement.
- 4.4 Any restoration construction must comply with environmental laws, National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). In addition, any approval that shall require a NEPA document; the cost of which shall be the responsibility of the Operator.
- 4.5 Operator agrees to accept the remedy heretofore provided in the event of a destruction of the Licensed Premises and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may hereafter be made available under the laws and statutes of this State.

## **5. OPERATING RESPONSIBILITIES**

### **5.1 Compliance with Laws, Rules and Regulations**

Operator shall conform to and abide by all municipal and County ordinances, and all State and Federal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for the use and/or any construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction thereover. Further, Operator shall conform to and abide by all rules and regulations and policies of the County's Board of Supervisors and the

## EXHIBIT A-3

Director of the Department of Parks and Recreation insofar as the same or any of them are applicable.

### 5.2 **Maintenance**

Operator shall be responsible for maintaining ~~the~~ the Licensed Premises and the structures located within the Licensed Premises in their current state of repair and condition. Operator shall also be responsible for regular maintenance of the structures' exterior and interior areas within the Licensed Premises. County shall be responsible for maintaining the County Premises and the structures located within the County Premises in their current state of repair and condition. County shall also be responsible for regular maintenance of the structures' exterior and interior areas within the County Premises.

### 5.3 **Safety**

Operator shall make every effort to correct or notify County of any unsafe condition on the Licensed Premises, as well as any unsafe practices occurring thereon. Operator shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the Licensed Premises. Operator shall cooperate fully with County in the investigation of any accidental injury or death occurring on the Licensed Premises, including a prompt report thereof to the Director. Operator shall cooperate and comply fully with County, State, municipal, federal or any other regulatory agency having jurisdiction there over, regarding any safety inspections and certifications of any and all Operator's structures, enclosures, vehicles, and equipment.

### 5.4 **Sanitation**

No offensive matter, refuse, or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Premises and within a distance of fifty (50) feet thereof, and Operator shall prevent any accumulation thereof from occurring.

### 5.5 **Security Devices**

## **EXHIBIT A-3**

Operator, at its own expense, may provide any legal devices or equipment and the installation thereof designated for the purpose of protecting the Licensed Premises from theft, burglary or vandalism, provided written approval for installation thereof is first obtained from the Director.

### **5.6 Utilities**

5.6.1 The Operator shall provide and pay for all utilities needed to serve the Licensed Premises, including telephone service. The telephone number shall be placed in the name of the Operator and shall not be transferred to any other location.

5.6.2 Operator waives any and all claims against County for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, electrical apparatus or wires serving the Licensed Premises.

### **5.7 Access**

Operator and County hereby grant to each other mutual licenses over the respective Licensed Premises and the County Premises in order for each party to have reasonable access to and use of the respective Licensed Premises and County Premises. Operator shall not interfere with County's use of or access to the County Premises. County shall not interfere with Operator's use of or access to the Licensed Premises.

## **6. TERMS AND CONDITIONS**

### **6.1 LICENSE AGREEMENT ENFORCEMENT AND AMENDMENTS TO THE LICENSE AGREEMENT**

6.1.1 The Director shall be responsible for the enforcement of this License Agreement on behalf of County and shall be assisted therein by those officers and employees of County having duties in connection with the administration thereof.

6.1.2 In the event either party commences legal proceedings for the enforcement of this License Agreement , the prevailing party shall

## **EXHIBIT A-3**

be entitled to recover its attorney's fees and costs incurred in the action brought thereon.

6.1.3 This document may be modified only by further written License Agreement between the parties hereto. County's Board of Supervisors hereby authorizes the Director to act on its behalf in negotiations, approval, preparation and execution of any modification deemed necessary by said officer in the proper administration of this License Agreement. Director shall consult with appropriate County employees and officials in the preparation of such contract amendments and in all circumstances shall obtain County Counsel's approval-as-to-form prior to execution of final documents(s). Any such modification shall not be effective unless and until executed by Operator and in the case of the County, until approved by the Director.

### **6.2 ASSIGNMENT AND SUBLETTING**

Operator shall not assign in part or in whole, sublicense, or otherwise transfer its rights under this License. Any attempt by Operator to assign or otherwise transfer rights under this License shall be void and Operator shall remain liable to County for performance of all Operator's obligations under the terms of this License. Notwithstanding the foregoing, Operator may assign and transfer its rights hereunder in connection with an assignment or transfer of its rights under the Operating Agreement.

### **6.3 CANCELLATION**

6.3.1 [intentionally deleted]

6.3.2 Upon the occurrence of any one or more of the Events of Default described in Sub-Paragraph 6.7, this License Agreement shall be subject to cancellation by County's Board of Supervisors. As a condition precedent to the Director recommending cancellation to said Board, the Director shall give Operator ten (10) days notice by personal service or by registered or certified mail of the grounds

## EXHIBIT A-3

therefore and indicate that an opportunity to be heard thereon will be afforded prior to such recommendation by the Director if request is made therefor.

6.3.3 Upon cancellation, County shall have the right to take possession of the Licensed Premises, including all improvements, excluding Operator's leased, owned or borrowed property and equipment, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this License Agreement.

6.3.4 Action by County to effectuate a cancellation and forfeiture of possession shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this License Agreement.

### 6.4 INDEMNIFICATION

6.4.1 Operator shall indemnify, defend and hold harmless County, and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to; demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with: (a) Operator's acts and/or omissions arising from and/or relating to this License Agreement, or (b) Operator's default hereunder; or (c) Operator's use of or access to the Licensed Premises and/or the County Premises. Operator's duty to indemnify the County and its Special Districts, elected and appointed officers, employees, and agents shall survive the expiration or other termination of this License Agreement. Operator shall not be obligated to indemnify for liability and expense arising from the active negligence of County.

6.4.2 County shall indemnify, defend and hold harmless the Operator, its officers, directors, employees, and agents from and against



## EXHIBIT A-3

any and all liability, including but not limited to; demands, or claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with: (a) County's acts and/or omissions arising from and/or relating to this License Agreement, (b) County's default hereunder; or (c) County's use of or access to the Licensed Premises and/or the County Premises. County's duty to indemnify the Operator, its officers, directors, employees, and agents shall survive the expiration or other termination of this License Agreement. County shall not be obligated to indemnify for liability and expense arising from the active negligence of the Operator.

### **6.4 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

Without limiting Operator's indemnification of County and the United States, and in the performance of this License Agreement and until all of its obligations pursuant to this License Agreement have been met, Operator shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 6.9 and 6.10 of this License Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Operator pursuant to this License Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Operator for liabilities which may arise from or relate to this License Agreement.

#### **6.4.1 Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County, their agents, officers, and employees (defined below) has been given Insured status under the Operator's General Liability policy, shall be delivered to County

## EXHIBIT A-3

at the address shown below and provided prior to commencing services under this License Agreement.

- Renewal Certificates shall be provided to County not less than 10 days prior to Operator's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Operator and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this License Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Operator identified as the contracting party in this License Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Operator, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles, Parks and Recreation  
301 North Baldwin Avenue, Arcadia, CA 91007  
Attention: Chief, Contracts and Golf Division

## EXHIBIT A-3

Operator also shall promptly report to County any injury or property damage accident or incident, including any injury to an Operator employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Operator. Operator also shall promptly notify County of any third party claim or suit filed against Operator or any of its Sub-Contractors which arises from or relates to this License Agreement, and could result in the filing of a claim or lawsuit against Operator and/or County.

### **6.4.2 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Operator's General Liability policy with respect to liability arising out of Operator's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Operator's acts or omissions, whether such liability is attributable to the Operator or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

### **6.4.3 Cancellation of or Changes in Insurance**

Operator shall provide County with, or Operator's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in

## EXHIBIT A-3

Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

### **6.4.4 Failure to Maintain Insurance**

Operator's failure to maintain or to provide evidence that it maintains insurance coverage acceptable to the County shall constitute a material breach of the License Agreement, upon which County immediately may withhold payments due to Lessee, and/or suspend or terminate this License Agreement. County, at its sole discretion, may obtain damages from Lessee resulting from said breach.

### **6.4.5 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

### **6.4.6 Operator's Insurance Shall Be Primary**

Operator's insurance policies, with respect to any claims related to this License Agreement, shall be primary with respect to all other sources of coverage available to Operator. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Operator coverage.

### **6.4.7 Waivers of Subrogation**

To the fullest extent permitted by law, the Operator hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this License Agreement. The Operator shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

### **6.4.8 Sub-Contractor Insurance Coverage Requirements**

Operator shall include all Sub-Contractors as insureds under Operator's own policies, or shall provide County with each Sub-Operator's separate evidence of insurance coverage. Operator shall be responsible for verifying each Sub-Contractor complies

## **EXHIBIT A-3**

with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Operator as additional insureds on the Sub-Contractor's General Liability policy. Operator shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

### **6.4.9 Deductibles and Self-Insured Retentions (SIRs)**

Operator's policies shall not obligate the County to pay any portion of any Operator deductible or SIR. The County retains the right to require Operator to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Operator's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

### **6.4.10 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this License Agreement. Operator understands and agrees it shall maintain such coverage for a period of not less than three (3) years following License Agreement expiration, termination or cancellation.

### **6.4.11 Application of Excess Liability Coverage**

Operators may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

### **6.4.12 Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insured's provision with no insured versus insured exclusions or limitations.

### **6.4.13 Alternative Risk Financing Programs**

## EXHIBIT A-3

The County reserves the right to review, and then approve, Operator use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

### **6.4.14 County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

## **6.5 INSURANCE COVERAGE REQUIREMENTS**

### **6.5.1 Commercial General Liability**

Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured. Policy will be endorsed for golf course operations and will have no exclusions for sporting events, with limits of not less than:

General Aggregate:	\$4,000,000
Products/Completed Operations Aggregate:	\$1,000,000
Personal and Advertising Injury:	\$1,000,000
Each Occurrence:	\$2,000,000

### **6.5.2 Automobile Liability**

Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Operator's use of autos pursuant to this License Agreement, including owned, leased, hired, non-owned autos, and/or mobile equipment (i.e. golf carts) as each may be applicable.

### **6.5.3 Workers Compensation and Employers' Liability**

Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Operator will

## EXHIBIT A-3

provide employees, or, is an employee temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Operator's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

### **6.5.4 Property Coverage**

Operators given use of County owned or leased property for storage of Operator's personal property, shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Operator's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

### **6.5.6 Periods of Construction**

During the period(s) of construction as required or authorized herein, and in addition to the aforementioned insurance coverage, Operator shall provide the following forms and amounts of insurance:

- a. **Builder's All-Risk Insurance:** including flood coverage, covering the entire work, against loss or damage until completion and acceptance by the Director. Insurance shall be in an amount for the replacement value of the improvements and endorsed for broad form property damage,

## **EXHIBIT A-3**

breach of warranty, explosion, collapse, and underground hazards. Deductibles shall not exceed five percent (5%) of the construction cost.

- b. Professional Liability: Insurance covering liability arising from any error omission, or negligent act of the Operator, its officers, employees, contractors, or agents with a limit of not less than One Million Dollars (\$1,000,000) per claim.

### **6.6 SURRENDER OF LICENSED PREMISES**

Upon termination of this License Agreement, Operator shall peaceably vacate the Licensed Premises and any and all improvements located thereon and deliver up the same to County in a reasonably good condition, ordinary wear and tear excepted.

### **6.7 ENTIRE LICENSE AGREEMENT**

This document and the Exhibit(s) attached hereto, constitutes the entire License Agreement between County and Operator for the authorized operations and use granted herein within the Licensed Premises. All other agreements, promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the Exhibit(s) attached hereto, the terms, conditions, promises and covenants relating to Operator's operation and the Licensed Premises to be used in the conduct thereof.

### **6.8 AUTHORIZATION WARRANTY**

Operator represents and warrants that the person executing this License Agreement for the Operator is an authorized agent who has actual authority to bind Operator to each and every term, condition, and obligation of this License Agreement and that all requirements of Operator have been fulfilled to provide such authority.



## EXHIBIT A-3

**IN WITNESS WHEREOF**, Operator has executed this License Agreement, or caused it to be duly executed, and the County of Los Angeles, has caused this License Agreement to be executed on its behalf by the Director of the Department of Parks and Recreation thereon, on the month, day and year first above written.

### COUNTY OF LOS ANGELES

By \_\_\_\_\_  
John Wicker, Director  
Department of Parks and Recreation

### OPERATOR

By \_\_\_\_\_  
Strato Partners, LLC

**APPROVED AS TO FORM:**  
**MARY C. WICKHAM**  
County Counsel

By \_\_\_\_\_  
FOR: Christina A. Salseda  
Principal Deputy, County Counsel

**FISCAL IMPACT – RECOMMENDED PROPOSER**

Based on the terms of the Lease Agreement, the Department of Parks and Recreation's (Department) Operating Budget will realize Santa Anita County Golf Course estimated rent revenue of \$365,100 for FY 2016-17 (10 Months) and a total of \$14,092,000 over the recommended twenty year term. The revenue will be collected on a monthly basis. The projections are based on a 2% bi-annual fee increase which is consistent with the past history of County golf course fee increases.

The rent payments for years 1-3 to the County are based upon a percentage of revenue, specifically 20% of green fees, carts and driving range fees. The Department anticipates receiving an estimated \$1,348,000 in revenues for years 1-3. Commencing with year 4 of this agreement, County shall be entitled to the greater of a minimum rent of eighty percent (80%) of the actual rent paid to the County in Year 3 of the agreement or a percentage of revenue based on the revenue fee schedule discussed below. The estimated annual minimum rent commencing year 4 of the agreement is \$367,000.

Additionally, with 10 days of the commencement of the recommended Lease Agreement with Strato Partners, LLC, it shall deposit with the Department \$250,000, which shall be allocated to the Santa Anita Golf Course Capital Improvement Fund. Moreover, prior to the commencement of year three (3) of the recommended Lease Agreement, Strato Partners, LLC shall deposit with the Department an additional \$250,000, which shall be allocated to the Santa Anita Golf Course Capital Improvement fund. The Department has preliminarily earmarked these funds for clubhouse improvements, which will result in additional rental revenue to the County.

**FISCAL IMPACT - CURRENT OPERATOR**

The current lease between the County and Santa Anita Associates. It is presently on a month to month term. The minimum monthly rent due on the current lease is the greater of \$55,569/monthly (\$666,830 annually) or a percentage of revenues.

**STRATO PARTNERS, LLC– PROPOSED RENT TO THE COUNTY**

Source	Year 1	2	3	4	5	6
GF/CF/Range	20%	20%	20%	21%	22%	23%
Merchandise	6%	6%	6%	6%	6%	6%
Food/Beverage	8%	8%	8%	8%	8%	8%
Alcohol	12%	12%	12%	12%	12%	12%
Banquet Hall	25%	25%	25%	25%	25%	25%
Food/Beverage	8%	8%	8%	8%	8%	8%
Alcohol	12%	12%	12%	12%	12%	12%

## ATTACHMENT II

<b>Source</b>	<b>Year 7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
<b>GF/CF/Range</b>	<b>23%</b>	<b>23%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>Merchandise</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>
<b>Food/Beverage</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>
<b>Alcohol</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>
<b>Banquet Hall</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>Food/Beverage</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>
<b>Alcohol</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>

<b>Source</b>	<b>Year 13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18 - 20</b>
<b>GF/CF/Range</b>	<b>27%</b>	<b>27%</b>	<b>30%</b>	<b>30%</b>	<b>32%</b>	<b>32%</b>
<b>Merchandise</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>
<b>Food/Beverage</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>
<b>Alcohol</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>
<b>Banquet Hall</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>Food/Beverage</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>
<b>Alcohol</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>



## REQUIRED FORMS - EXHIBIT 7

Request for Local SBE Preference Program Consideration and  
CBE Firm/Organization Information Form

**INSTRUCTIONS:** All proposers responding to this solicitation must complete and return this form for proper consideration of the proposal.

I. **LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

FIRM NAME: STRATO PARTNERS, LLC  
COUNTY VENDOR NUMBER: 16249601

- ☐ As a Local SBE, certified by the County of Los Angeles, Internal Services Department, I request this proposal/bid be considered for the Local SBE Preference.  
☐ Attached is my Local SBE Certification letter issued by the County

II. **FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input checked="" type="checkbox"/> Other (Please Specify) <u>LIMITED LIABILITY COMPANY</u>						
Total Number of Employees (Including owners):						
Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:						
Race/Ethnic Composition	Owners/Partners/Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latino			1	1	24	16
Asian or Pacific Islander				1	1	
American Indian						
Filipino						
White	2	1	2	1	27	16

III. **PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	%
Women	%	%	%	%	%	%

IV. **CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:**

If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date
N/A					

V. **DECLARATION:** I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorized Name <u>NEIL M. MILLER</u>	Authorized Signature 	Title <u>CHIEF EXECUTIVE OFFICER</u>	Date <u>5.10.16</u>
--	--------------------------	---	------------------------